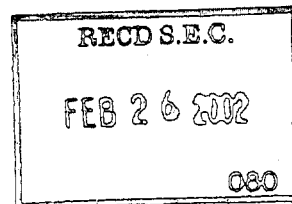




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FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

For the month of February 2002

Unibanco Holdings S.A.
(Translation of Registrant's Name Into English)

Av. Eusébio Matoso S.A.
05423-901 São Paulo-SP
Brazil
(Address of Principal Executive Offices)

PROCESSED

MAR 18 2002

**THOMSON
FINANCIAL**

[Indicate by check mark whether the registrant files or will file annual reports
under cover Form 20-F or Form 40-F.]

Form 20-F X Form 40-F

[Indicate by check mark whether the registrant by furnishing the information
contained in this Form is also thereby furnishing the information to the Commission
pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.]

Yes No X

[If "Yes" is marked, indicate below the file number assigned to the registrant in
connection with Rule 12g3-2(b):82-]

- Exhibit 1 Press release, dated February 21, 2002, announcing the results of Unibanco-União de Bancos Brasileiros S.A. and Unibanco Holdings S.A. for the year ended December 31, 2001
- Exhibit 2 Financial statements of Unibanco Holdings S.A. for the year ended December 31, 2001, prepared in accordance with accounting principles established by Brazilian corporate law and the Central Bank of Brazil

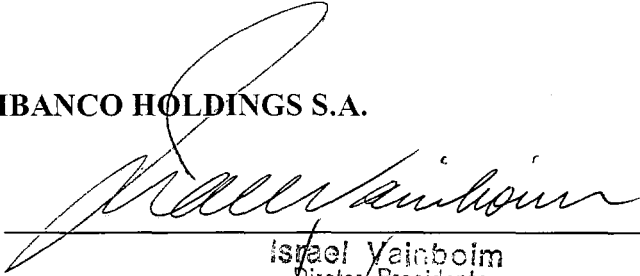
SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: **February 26, 2002**

UNIBANCO HOLDINGS S.A.

By: _____


Israel Vainboim
Director/Presidente

By: _____


Mauro Agonilha
DIRETOR

FOR IMMEDIATE RELEASE**For further information please contact:**

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Unibanco and Unibanco Holdings

CONSOLIDATED RESULTS FOR THE YEAR 2001

(São Paulo, Brazil, February 21, 2002) — Unibanco - União de Bancos Brasileiros S.A. and Unibanco Holdings S.A released today their consolidated financial results under Brazilian GAAP for the Year 2001.

Highlights for the period

- Net income for the year 2001 reached R\$ 972 million, exceeding the year 2000 figure in 31.5%. Annualized ROAE and ROAA were of 16.8% and 1.8%, respectively.
- Net income in the fourth quarter reached R\$ 241 million, representing an increase of 31.7% over 4Q00. The annualized ROAE was 16.8% whereas the annualized ROAA stood at 1.7%. This result includes an unfavorable R\$ 137 million impact in 4Q01, resulting from investments abroad net of hedges.
- Earnings per 1000 shares reached R\$ 1.72 in 4Q01 and R\$ 6.95 in 2001, the latter being 15.4% above the 2000 earnings of R\$ 6.02 per 1000 shares, even after considering a 14.3% share increase that took place on December 28, 2000, due to the acquisition of Banco Bandeirantes.
- The stockholders' equity reached R\$ 6.1 billion in December, 2001. The book value per 1000 shares stood at R\$ 43.82.
- In January 2002 Unibanco paid dividends in the amount of R\$ 171,0 million, added to the R\$ 152.2 million paid in advance in July, 2001, totaled R\$ 323.2 million distributed in the social exercise of 2001, up 22.5% over the previous exercise.
- As of December 31, 2001, within the buy-back program, 1,948,700,000 shares were repurchased - PNs, Units and GDSs, at an average price of R\$ 37.10, totaling expenses of R\$ 82.6 million. The total market value of the treasury stocks repurchased as per the Unit price at BOVESPA on December 28, 2001, was of R\$ 98.4 million, being R\$ 116.0 million the total value of the treasury stocks at year-end 2001.
- Total Unibanco assets reached R\$ 55.6 billion, representing an increase of 8.0% in 2001. From this total, R\$ 25.4 billion consisted of loans, R\$ 15.5 billion were marketable securities, consisting mainly of federal securities, and R\$ 4.7 billion were interbank and open market.
- The credit portfolio, in the amount of R\$ 25.4 billion, grew by 2.1% and 17.3% over September, 2001 and December 2000, respectively.
- At the end of December 2001, consolidated allowance for lending, leasing and other credits losses, pursuant to the Central Bank of Brazil Resolution 2682, totaled R\$ 1,538 million, down 1.7% Q-o-Q and representing 6.0% of total credit risk. These provisions were:
 - R\$ 651 million or 42.3% of the total, established to cover overdue credits, bankruptcies and insolvencies;
 - R\$ 716 million or 46.6% of the total, for the risk on credit transactions, under Resolution 2682 and credits to mature; and
 - R\$ 171 million in addition to the minimum required provision, based on a more conservative percentage than that required by the Central Bank. This latter being R\$ 32 million higher than 3Q01.
- Unibanco's overall funding reached R\$ 63.7 billion by December 31, 2001, down 1.1% and up 5.5% over the last three and twelve months, respectively. Total funding includes R\$ 20.4 billion in assets under management. Local funding rose 2.3% over the last three months to R\$ 32.5 billion,

mainly due to the growth in savings, time deposits and funds for BNDES onlendings.

- Funds and portfolios under UAM's management were up 2.7% Q-o-Q, from R\$ 19.9 billion at the end of September 2001 to R\$ 20.4 billion at the end of December 2001, being stable when compared to December 2000.
- The Basle capital adequacy ratio, in accordance with Central Bank guidelines, stood at 13.7% in December 2001, against 13.3% in September 2001 and 16.5% in December 2000. The ratio decline over the year resulted from the increase in the loan and securities portfolio and the change in regulations on foreign exchange exposure. This ratio remained substantially above the Central Bank's minimum requirement of 11%.
- Financial intermediation revenues in 2001, of R\$ 10.2 billion, rose by 51.5% over the year, mainly due to the credit portfolio growth, the consolidation of Banco Bandeirantes and the additional 50% from Banco Fininvest – both occurred in December, 2000, as well as the organic growth of the businesses.
- Financial intermediation revenues before allowances for lending, of R\$ 5.386 million, were up 38.7% Y-o-Y and 11.5% in comparison to the previous quarter. The annualized net financial margin of the 4Q01 stood at 12.1%, above the 10.7% margin posted in 3Q01. The increase of both in the quarter occurred as a result of the portfolio growth surpassing the unfavorable effects of the foreign exchange in the period as well as proper risk management.
- Fee income for 2001 totaled R\$ 2,185 million representing a 33.2% increase when compared to the previous year. Credit card fees, totaling R\$ 864 million, grew by 39.6% and banking tariffs by R\$ 1.1 billion, posted an increase of R\$ 33.8% in the year. In the quarter, revenues totaled R\$ 588 million posting a 5.0% increase in the quarter and 25.1% Y-o-Y.
- In 2001, the consolidated personnel and administrative expenses added to R\$ 3,963 million, up 32.0% from the previous year, due to the acquisitions of Banco Bandeirantes and 50% of Fininvest, the collective bargaining agreement and organic growth. In the fourth quarter, expenses totaled R\$ 1,010 million, declining R\$ 61 million (5.7%) when compared to the previous quarter. As a consequence, the service fees revenue over the personnel and administrative expenses showed an improvement of 52.3 in 3Q01 to 58.2%

in 4Q01.

- The 4Q01 efficiency ratio of 58.0%, showed improvement when compared to the 60% ratio posted in 2000. Over the quarter, it remained stable, despite of the *real* appreciation.

Operational Highlights

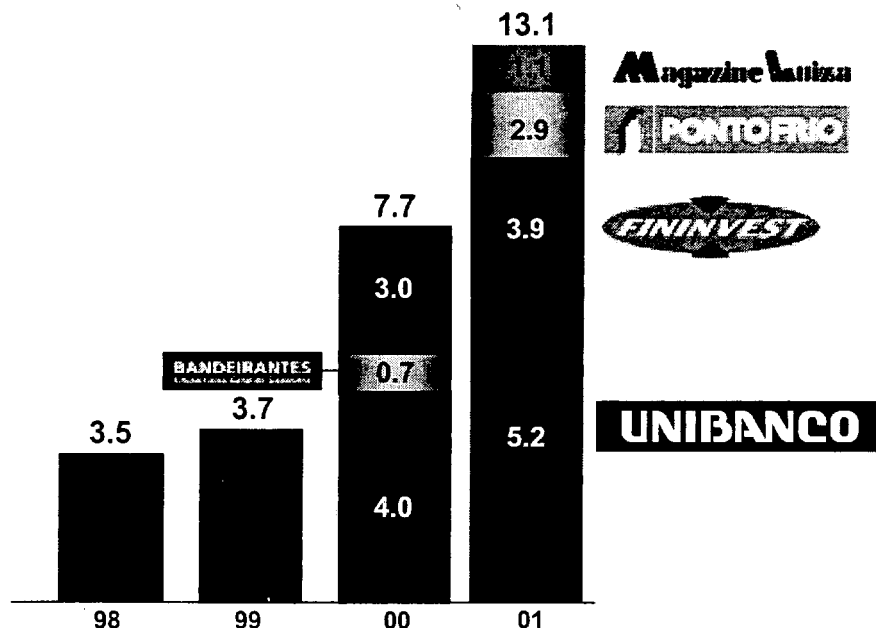
Banco Bandeirantes Migration

- In October 2001, Unibanco completed the integration of Banco Bandeirantes: 463 points of sale, between branches and corporate-site branches, and were integrated. And 60 were merged into existing ones. The transition took place smoothly. Less than 650 occurrences took place across all the Banco Bandeirantes points of sale and less than 20% of them had a noticeable impact on customers. The satisfaction of the new customers was ensured, as proven by the high level of maintenance of accounts of 95.6%. The financial results of the integration process were better than expected. It was initially estimated that the Bandeirantes cost structure would decrease

by 35%, whereas the actual annualized savings, by the end of the year, reached 42%.

Retail Bank

- In 2001, 852,000 new bank accounts were opened. Added to current customers, savings account clients and pensioners, the Bank had 5.2 million customers at the end of December 2001. By also adding Fininvest's, Investcred's and Credit Luiza, the Unibanco group totaled 13.1 million customers, a 70% rise over December 2000, net of the 2.9 million non-bank account holders that are clients of Cartão Unibanco and our insurance companies.



Note: Includes savings and retirees. In Dec/01 Bandeirantes fully migrated.

- At the end of the period, Unibanco had 1,485 points of sale including 809 branches, 497 corporate-site branches or PABS, 77 in-store branches and 102 Fininvest stores.
- Investcred Unibanco – the joint-venture company in association with Globex-Ponto Frio, formed in August, has the purpose of providing credit and a line of services and products to the retail chain's customers. In September, through its affiliate Banco Fininvest, Unibanco entered into an association with Magazine Luiza, a department store chain with strong presence in the states of São Paulo, Paraná and of Minas Gerais. The new company, Credi Luiza, will finance the retail chain's customers. Both chains are strongly complementary. Together, they account for 461 points of distribution to which Unibanco acquired access. Through these partnerships, Unibanco gained greater participation in direct consumer credit among the C and D lower income classes, the segment of Brazil's population with the greatest potential for growth in terms of financial products.
- The Retail Bank loan portfolio, including Fininvest, Cartão Unibanco, 33% of Credicard, Banco Dibens, Investcred Unibanco e Credit Luiza, reached R\$ 11.0 billion in December, up 17.4% Y-o-Y. This expansion was pushed by the organic growth and by the above mentioned associations, as well as improvements to our credit scoring tools and the conclusion of the implementation of the our Database Marketing Project.
- Banco1.net, the market leader of the virtual banking segment in Latin America, and Investshop, Brazil's greatest financial portal, merged their operations by means of a stock swap. Banco1.net took over control of Investshop, which, in turn, has a 15% stake in the new institution. The merger of the two pioneering Internet banking and financial services will not do away with either of the

brands. Banco1.net account holders will gain faster, more convenient access to Investshop investments, which in turn will provide its customers with the possibility of relying on the convenience of banco1.net. The two portals will continue to be separate, but will act together regarding synergy gains, investments and revenues.

- At the end of the year, Ford Credit Brazil and Unibanco-Rodobens established a joint venture for the sale of consortium quotas - a system for financing consumer goods that combines a lay-away plan with monthly draws of the financed merchandise - at Unibanco's branches and National Ford Dealerships. As a result, Unibanco Rodobens adds to its customer base more than 40,000 members from National Ford Consortium, and became 4th largest company in Brazil in this market segment.
- The credit card business Credibanco (Cartão Unibanco) net income in 2001, of R\$ 71 million, was up 47.9% in the year. The company's total volume, measured by cardholder purchases and cash advances, reached R\$ 4.2 billion against R\$ 3.3 billion in 2000, a 27.3% increase. Total outstandings reached R\$ 308 million, 42.7% above the R\$ 216 million posted in 2000. The total number of cards issued reached 3.5 million in 2001 against 2.5 million in 2000, representing a 40% growth and raising the company's market share from 9% to 10%.
- **Fininvest** provided equity in results amounting to R\$ 50.2 million in 2001 with growth of 108.3% vis-à-vis the previous year. ROAE was 27.7%. In 2001, Fininvest continued to implement its network expansion plan. The objective is to reach low-income segments (C and D) on a broad scale having opened 38 new stores throughout Brazil during the year. The company ended the period with R\$ 1.6 billion in loans, R\$ 2.2 billion in assets, approximately 3.9 million of active clients and 102 stores in the main cities of Brazil.

Wholesale Bank

Product	Ranking	Share %	Volume R\$ MM
Fixed Income Origination	1 st	19	3,076
Fixed Income Distribution	1 st	19	3,080
BNDES Onlendings Disbursements	1 st	11	1,817
BNDES-exim	1 st	14	687

Source: Anbid and BNDES

- The Wholesale Bank consolidated its absolute leadership in onlendings of funds from the BNDES (National Bank for Economic and Social

Development), with R\$ 1.8 billion having been disbursed. The bank is also a leader in structuring and distribution of fixed income securities, having reached a business volume of R\$ 3.1 billion during the year. Moreover, it firmly established its position as the biggest Brazilian bank in the area of mergers and acquisitions with a market share of 5.5%. The bank holds also a leading position in Vendor and Compror operations, ending the year with a 14.5% market share and a volume of transactions amounting to R\$ 1.0 billion, up 15.0% over 2000.

- In the Cash Management segment, Unibanco increased its revenues by 11%, reaching some R\$ 290.0 million. The ongoing investment in technology enabled Unibanco to increase the number of users of its cash management services by 38% in 2001, to 51.3 thousand. The volume of collections, accounts payable and payrolls rose by 16.6%, to 108 million transactions.
- In the Private Banking area, Unibanco reached R\$ 7.24 billion in funds under management, a figure that kept it among the largest Brazilian banks in this segment. Among the main initiatives of the fiscal year, the following ones stand out: the inclusion of Family Succession and Protection as added services; the expansion of the Investcenter portfolio; and the consolidation of the partnership with Unibanco Asset Management, creating the Private Personal Fund.

Insurance, Capitalization Plans and Private Pension Plans

- The Insurance, Capitalization Plans and Pension Plans businesses posted consolidated gross revenues of R\$ 2.2 billion in 2001, up 23.8% over the same period last year. The companies' net income totaled R\$ 216 million in 2001. Technical reserves under management reached R\$ 2.3 billion at the end of the period, with an 11.5% growth vs. the previous year.
- The consolidated combined ratio, at 99.6%, improved 150b.p. vs. the previous year and well below the estimated market average of 103%. On the basis of this criterion, the company ranks second in the market. According to research carried out by USP (the University of São Paulo) during the first half of the year, Unibanco AIG Seguros ranked 2nd in terms of quality of services and market positioning and 1st in terms of institutional image.

- **Unibanco AIG Previdência** posted a net income of R\$ 23.3 million in 2001, with an increase of 27.8% Y-o-Y. This performance is mainly due to a

41.8% gross revenue growth to R\$ 523.2 million in 2000, greater than the market increase, estimated at 38.4%. The performance above market derive from news products (Prever Invest), the company organic growth and of the incorporation of the Bandeirantes Group pension plans portfolio.

Asset Management

- Unibanco Asset Management – UAM, the portion of the business in charge of managing funds belonging to third parties, closed 2001 with a total volume of assets under management of R\$ 20.4 billion, of which R\$ 5.03 billion in private pension funds, a segment in which the company ranks second in the market, according to Anbid data.
- At the end of the year, UAM started rendering back-office services to ABN-Amro Asset Management. It is the first large-scale operation of this kind in the market, significantly strengthening UAM's institutional custody business. The volume involved in the agreement, R\$ 15 billion, will provide immediate benefits: scale gains, and consequently, reduction of unit costs. UAM is strategically positioned to benefit from this market trend, as it is capable of fulfilling, with quality, the needs of its asset management peers.

Technology and the Internet

- In 2001, R\$ 264 million were invested in technology, the main projects:
R\$ 54 million – Cartão Unibanco projects
R\$ 50 million – Mainframe capacity planning
R\$ 46 million – New equipments for the Bandeirantes branches
R\$ 29 million – Internet
R\$ 27 million – MIS (Management Information System)
R\$ 16 million – ATMs capacitation
R\$ 7 million – Brazilian Payment System (Sistema de Pagamentos Brasileiro – SPB)
- New technological infrastructure was implemented in the Luxembourg subsidiary, in order to support the commercial bank's international operations and private banking. This required an investment of roughly US\$ 1.2 million. The new structure will enable centralizing the processing of the international units, ensuring availability and security.
- The quarter was characterized by the inauguration of the new Unibanco.com portal and of the new 30-Hour Online service. With

an innovative format and a more objective and didactic browsing system, the portal and the Internet Banking service performed well in 2001, generating a significant expansion of the online customer base, to 615,000 at the end of the year (growth of 121% for the year). The redesign of Unibanco.com and of the 30-Hour Online service, furthermore, allowed the introduction of products and services specifically developed for the electronic medium.

	Dec/01	Dec/00	Annual % change
Access to 30 Hours Online (thousands)	28,214	19,131	47
Number of Transactions Online (thousands)	46,181	30,770	50
Electronic Trading (R\$ billion)	4.11	3.05	35

Investor Relations

- Unibanco's Investor Relations (IR) Site once again won the TOP 5 award, the most important investor relations web award, organized by MZ consult and by Latin Finance magazine. In the fourth year of the award (which, for the first time, encompassed companies from the whole of Latin America), Unibanco continued to be in the TOP 5 – Brazil group, and joined the TOP 5 – Latin American group, occupying the second place, among 280 companies from Brazil, Mexico, Argentina and Chile. Such recognition is the result of investing in the site's improvement, content and updating, as the website is an important relationship tool with investors, stockholders, and capital market analysts. Our website, which was accessed more than 5,400 times from all parts of the world in December 2001, is currently in its fifth version. It is constantly updated, with new, convenient elements and additional information.

Community-oriented Activities

- In connection with the 10th anniversary of *Unibanco Ecologia* (Environment) program, funds were granted for the building of eight environmental education centers, in Florianópolis (state of Santa Catarina), Belo Horizonte (state of Minas Gerais), Vitória (state of Espírito Santo), Goiânia (state of Goiás), Brasília (Federal District), Porto Alegre (State of Rio Grande do Sul), Salvador (state of Bahia) and Recife (state of Pernambuco). Eight philanthropic organizations from these capitals received donations to start up programs in the healthcare area. Pedagogical and environmental campaigns were also developed in beaches in Recife (state of Pernambuco) and São Sebastião

(state of São Paulo). Seedling nurseries were "planted" in Rio de Janeiro, with the expectation of producing approximately 40 thousand seedlings per year.

Organizational Changes

- As of March 1, 2002, certain organizational changes will be implemented in the organization, viewing greater strategic alignment, synergies and cost effectiveness. The Capitalization Company will be integrated into the structure of the Retail Bank, whereas the Private Bank, together with Unibanco Asset Management, will make up a new unit named Wealth Management.
- Cesar Sizenando, current Corporate Vice-President, CFO and Director of Investor Relations will head the Wealth Management area. Geraldo Travaglia, current Executive Director of Unibanco.com, will take up the newly vacant position. Mr Travaglia that headed in the following areas, among others: Retail Marketing and Products, Reengineering, and Control. Jorge Rosas, current UAM President, is to become responsible for managing the Bank's treasury, encompassing both the domestic and the international markets. The current treasurer, Mr. Sergio Zappa, will in turn head Unibanco's Capital Markets Activities as well as current responsibilities for Global Financial Institutions and business platforms in New York, London (including Brokerage Houses) and Interbanco – Paraguay. Adalberto Schetttert, Administrative Vice-President, will become responsible for the implementation of cost-effectiveness policies and strategies, in addition to joining Unibanco's Executive Committee.

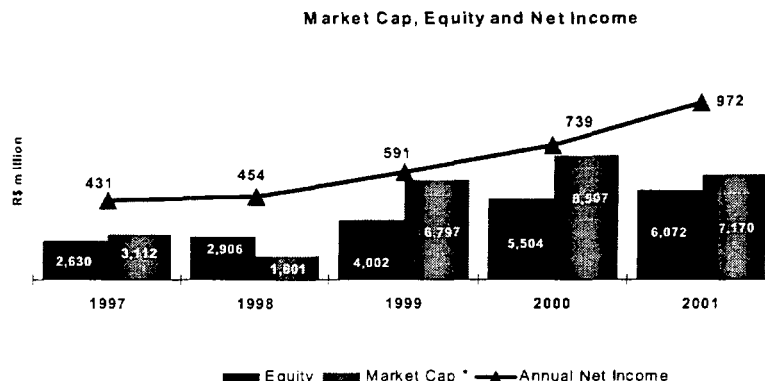
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Net Income and Stockholders' Equity

Unibanco

Net income for 2001 reached R\$ 972 million, exceeding the 2000 figure by 31.5%. Profit of R\$ 241 million in 4Q01 was 19.7% lower than 3Q01 and 31.7% higher than 4Q00. This result includes an unfavorable R\$ 137 million impact in 4Q01, resulting from those investments abroad not hedged by financial instruments.



* Based on GDSs prices (UBBR11)

Earnings per 1000 shares reached R\$ 1.72 in 4Q01 and R\$ 6.95 for the year to-date, the latter being 15.4% above the 2000 earnings of R\$ 6.02 per 1000 shares, even considering the 14.3% share increase that took place on December 28, 2000, due to the acquisition of Banco Bandeirantes.

Stockholders' equity reached R\$ 6.1 billion in December, 2001. Annualized ROAE was 16.8% in the quarter and the year and ROAA 1.7% in 4Q01. The book value per 1000 shares stood at R\$ 43.82.

Unibanco distributed to its stockholders, as of January 31, 2002, R\$ 171.0 million in dividends which added to R\$ 152.2 million already distributed on July 31, 2001 amount to R\$ 323.2 million for the 2001 fiscal year, being 22.5% higher compared to the previous year.

The table below shows Unibanco's consolidated profitability for the periods indicated:

Profitability	4Q01	3Q01	4Q00	2001	2000
Annualized return on average equity	16.8%	21.9%	17.6%	16.8%	17.5%
Annualized return on average assets	1.7%	2.1%	1.7%	1.8%	1.8%
Earnings per 1000 shares (R\$)	1.72	2.15	1.49	6.95	6.02
Earnings per GDS (R\$) ⁽¹⁾	1.63	2.17	1.47	6.89	5.96
Dividends/Interest on Capital Stock per 1000 common shares (R\$) ⁽²⁾	1.1801	-	1.0313	2.2169	2.0526
Dividends/Interest on Capital Stock per 1000 preferred shares (R\$) ⁽²⁾	1.2981	-	1.1344	2.4386	2.2578
Dividends/interest per GDS (R\$) ⁽¹⁾⁽²⁾	1.2437	-	1.0862	2.3353	2.1180
Total dividends/interest (R\$ million) ⁽²⁾	323	-	133	323	264
Book Value per 1000 shares (R\$)	43.82	43.43	39.22	43.82	39.22
Price to book value at the end of the period ⁽³⁾	1.2	0.9	1.4	1.2	1.4

(1) Each "Global Depositary Share" (GDS) traded abroad (NYSE:UBB) corresponds to 500 Units. Each Unit consists of one Unibanco preferred share plus one Unibanco Holdings preferred B share.

(2) Interest on capital stock distributed in 1S00.

(3) Based on Brazilian Unit prices (Bovespa: UBBR11).

Share Buy-back Plan

Unibanco (UBB) and Unibanco Holdings (UH) share buy-back plan started on September 20, 2001 and was renewed on December 27, 2001 also for a period of three months. Management believes that this plan is in the best interest of both companies' stockholders.

The purpose of such transaction is to hold the shares of UBB and UH preferred B shares as treasury stock for subsequent sale or cancellation, without reduction of the companies' capital. It also aims to use Unibanco's resources available from the Revenue Reserve account.

The shares shall be repurchased at market prices or by means of trading of options. According to CVM regulations issuers may not hold as treasury stock more than 10% of the public float from each class of shares. The new limits for the current repurchase plan were established on 12/27/2001, as follows:

Type of share (per 1000 shares)	Limit for repurchase*
Unibanco PN (UBBR4)	3,177,019,267
Unibanco ON (UBBR3)	257,364,326
Holdings PNB (UBHD6)	3,398,157,892
Total	6,832,541,485

* Includes the share increase dated 10/31/2001 due to the spin-off with incorporation of Banco Bandeirantes de Investimento (BBI)

Type of share	Limit for repurchase*
Unit (UBBR11) or GDS (UBB) **	3,177,019,267 6,354,039

** Each GDS corresponds to 500 Units.

As of December 31, 2001, 153,200,000 UBB's preferred shares, 46,500,000 Units and 1,702,500 GDSs had been repurchased totaling 1,948,700,000 shares at an average price of R\$ 37.10, reaching R\$ 82.6 million in expenses, the high-low being respectively R\$ 34.87 - R\$ 55.91. The total market value of treasury stocks repurchased, based on the Units price at December 28, 2001 on the São Paulo Stock Exchange (BOVESPA) in December 28, 2001 was R\$ 98.4 million, considering that total treasury stock at the end of the year amounted to R\$ 116.0.

Type of Share	# of repurchased shares per 1000	# of repurchased shares - Unibanco	# of repurchased shares - UBB Holdings
Unit	46,500	46,500,000	46,500,000
GDS	1,702,500	851,250,000	851,250,000
PN	153,200,000	153,200,000	-
Total		1,050,950,000	897,750,000

(*) Each Unit consists of one Unibanco preferred share and one Unibanco Holdings preferred "B" share.

In order to exchange UH's shares in its possession, UBB assigned and transferred to UH – through a Share Exchange Agreement - 897,750,000 preferred B shares issued by UH, acquired in the form of Units or GDSs. UH also assigned and transferred 897,750,000 UBB preferred shares. The shares exchanged were recorded as UBB and UH treasury stocks.

Due to the spin-off with incorporation of Banco Bandeirantes de Investimento – BBI by UBB and UH on October 31, 2001, the total UBB share capital increased when compared to June 2001 and is represented as follows:

In thousand of shares	Float	Treasury	Total
Initial balance - June 30, 2001	140,328,646	324,524	140,653,170
Repurchase - 2S01	(1,050,950)	1,050,950	-
Share Exchange - 2S01	(897,750)	897,750	-
Additional Share Exchange - 2S01	(24,397)	24,397	-
BBI Capital increase - in 10/31/01	232,663	-	232,663
Final balance - Dec 31, 2001	138,588,212	2,297,621	140,885,833
Common Shares	75,568,744	-	75,568,744
Preferred Shares	63,019,468	2,297,621	63,021,765

Unibanco Holdings

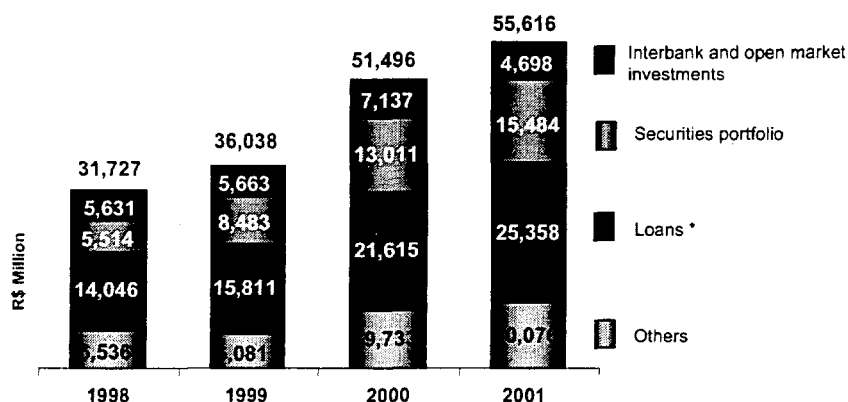
Unibanco Holdings S.A. net income for the year reached R\$ 574 million, of which R\$ 136 million was generated in 4Q01, resulting in earnings per 1000 shares of R\$ 6.83 and R\$ 1.63 for 2001 and 4Q01, respectively. Stockholders' equity on December 31, 2001 reached R\$ 3.7 billion, the annualized ROAE for the year was 16.5% and the book value per 1000 shares stood at R\$ 43.85.

Assets

Total Unibanco assets of R\$ 55.6 billion represented a decrease of 4.2% for 4Q01 and a 8.0% Y-o-Y increase. This drop was mainly due to the *real*/appreciation in relation to foreign currencies and the lower trading position on the overnight market at the end of the fiscal year.

Of the total, R\$ 25.4 billion consisted in the total loan risk portfolio, R\$ 15.5 billion were marketable securities, issued primarily by the federal government, and R\$ 4.7 billion were interbank investments.

Total Assets, by Type



* In 2000 and 2001 includes other credits.

Securities Portfolio

Below is Unibanco's consolidated securities portfolio, by sector, currency and maturity over the periods shown:

R\$ million					
Securities portfolio, by type	Dec-01	Sep-01	Dec-00	Quarter % change	Annual % change
Federal government securities	9,348	9,435	8,577	-0.9	9.0
Brazilian sovereign bonds	363	194	120	87.1	202.5
Securities of foreign governments	22	13	12	69.2	83.3
State and municipal securities	12	12	12	0.0	0.0
Non-financial corporate debt securities	3,223	2,805	1,929	14.9	67.1
Bank debt securities	304	526	393	-42.2	-22.6
Mutual funds ⁽¹⁾	2,047	1,910	1,794	7.2	14.1
Marketable equity securities	165	171	173	-3.5	-4.6
Contracts and premiums to be exercised – shares	-	-	1	0.0	-100.0
Total	15,484	15,066	13,011	2.8	19.0
Provisions for devaluations	(129)	(172)	(79)	-25.0	63.3
Total portfolio	15,355	14,894	12,932	3.1	18.7
Securities portfolio, by currency					
Reais	8,343	7,753	7,506 ⁽³⁾	7.6	11.2
Foreign currencies ⁽²⁾	7,141	7,313	5,505 ⁽³⁾	-2.4	29.7
Total	15,484	15,066	13,011	2.8	19.0

Securities portfolio, by maturity	no maturity	0-90 days	91-360 days	1-3 years	3-5 years	5-15 years	15 years + at Dec-01
Federal government securities	-	5,822	852	2,173	383	45	73
Brazilian sovereign bonds	-	213	53	17	26	49	5
Securities of foreign governments	-	9	1	1	10	1	-
State and municipal securities	12	-	-	-	-	-	-
Non-financial corporate debt securities	28	200	581	791	731	892	-
Bank debt securities	1	81	127	10	53	32	-
Mutual funds ⁽¹⁾	2,047	-	-	-	-	-	-
Marketable equity securities	165	-	-	-	-	-	-
Total	2,253	6,325	1,614	2,992	1,203	1,019	78
Distribution %	14.6%	40.8%	10.4%	19.3%	7.8%	6.6%	0.5%

(1) Mostly investments held by the insurance companies.

(2) Includes US\$-linked federal government securities.

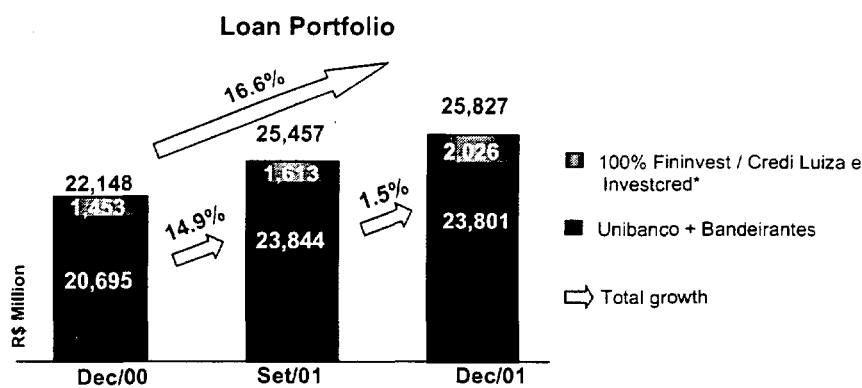
(3) Reclassification for a better comparison with December, 2001

The R\$ 15.5 billion total securities portfolio at the end of December grew 2.8% and 19.0% over September 2001 and December 2000, respectively, largely due to investments in federal government securities and non-financial debt issues. The portfolio's profile is in line with the market's supply, reflecting longer-term maturities. Non-financial debt consists primarily of eurobonds and corporate debentures. The carrying of these securities is taken into account in the credit evaluation of the issuers, using credit risk allocation. The increase in non-financial securities portfolio in the period is largely due to a higher volume of MRS Logística corporate debentures. The drop in foreign currency securities in the quarter is basically due to the *real* appreciation of 13.1% in relation to the US dollar.

The portfolio also includes securities tied to guarantees and technical reserves of the Unibanco group, such as the relevant R\$ 3.0 billion of Unibanco's insurance, capitalization and private pension plans portfolio in December 2001, mainly being constituted of technical reserves.

Loan Portfolio

The R\$ 25.8 billion total loan risk portfolio grew 1.5% and 16.6% over September 2001 and December 2000, respectively.



* Investcred and Credi Luiza consolidated since December, 2001

Below is Unibanco's consolidated loan portfolio, by type, over the periods shown:

R\$ million

Loans by segment	Dec-01	Sep-01	Dec-00	Quarter % change	Annual % change
Commercial, industrial and other	12,081	11,902	9,835	1.5%	22.8%
Import financing and advances to exporters	3,291	3,847	3,802	-14.5%	-13.4%
Agricultural loans	833	745	734	11.8%	13.5%
Subtotal 1	16,205	16,494	14,371	-1.8%	12.8%
Credit cards	2,947	2,505	2,367	17.6%	24.5%
Consumer credit	4,912	4,505	3,422	9.0%	43.5%
Leasing	799	853	948	-6.3%	-15.7%
Real estate loans	495	479	507	3.3%	-2.4%
Subtotal 2	9,153	8,342	7,244	9.7%	26.4%
Subtotal lending, leasing e other credits	25,358	24,836	21,615	2.1%	17.3%
Credit assignment with joint obligation	140	243	220	-42.4%	-36.4%
Co-obligation on credit card customer financing	329	378	313	-13.0%	5.1%
Total Risk	25,827	25,457	22,148	1.5%	16.6%

R\$ million

Loans, by segment in December 2001	Multiple Bank and others	Cartão Ubb/ Credicard	Fininvest/ Credi Luiza and Investcred	Unibanco consolidated
Commercial, industrial and other	11,883	-	198	12,081
Import financing and advances to exporters	3,291	-	-	3,291
Agricultural loans	833	-	-	833
Credit cards	47	1,875	1,025	2,947
Consumer credit	4,249	-	663	4,912
Leasing	799	-	-	799
Real estate loans	495	-	-	495
Subtotal lending, leasing e other credits	21,597	1,875	1,886	25,358
Credit assignment with joint obligation	-	-	140	140
Co-obligation on credit card customer financing	-	329	-	329
Subtotal off-balance	-	329	140	469
Total Risk	21,597	2,204	2,026	25,827

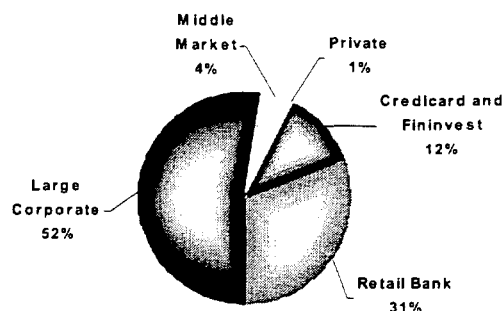
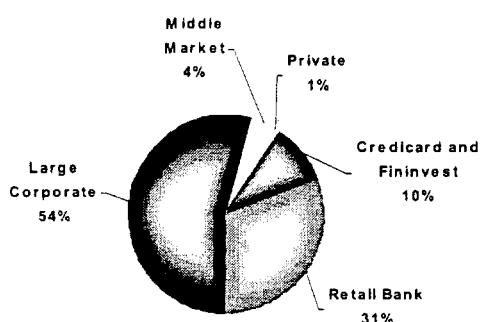
The economic slowdown and local currency volatility impacted export and import financing, which decreased by 14.5% Q-o-Q. For the last twelve months this figure fell R\$ 511 million.

The volume of credit offered to individuals increased Q-o-Q, mainly due to the consolidation of 50% of Investcred by Unibanco adding R\$ 291 million. A growth amounting to R\$ 66 million was also registered at Banco Dibens' motor vehicle portfolios.

In December 2001 the Wholesale Bank client list was reviewed according to their annual sales (Middle Market: from R\$ 25M to R\$ 100M; Large Corporate: above R\$ 100M). For this reason, some Middle Market clients were transferred to the Large Corporate segment. September 2001's figures are *pro forma* for a better comparison of the periods.

September 2001 - R\$ 25,457 MM

December 2001 - R\$ 25,827 MM

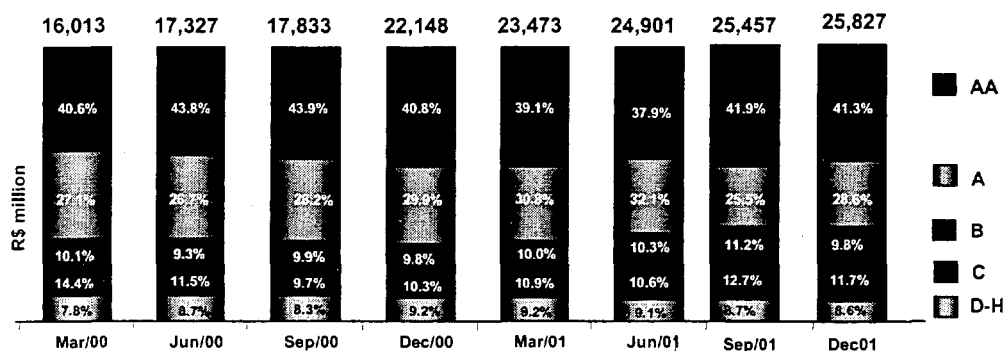


Allowance for Lending, Leasing and Other Credits Losses

At the end of December 2001, consolidated allowance for lending, leasing and other credits losses, pursuant to the Central Bank of Brazil Resolution 2682, totaled R\$ 1,538 million, down 1.7% Q-o-Q and representing 6.0% of total credit risk. These provisions were:

- ✓ R\$ 651 million or 42.3% of the total, established to cover overdue credits, bankruptcies and insolvencies;
- ✓ R\$ 716 million or 46.6% of the total, for the risk on credit transactions, under Resolution 2682 and credits to mature; and
- ✓ R\$ 171 million in addition to the minimum required provision, based on a more conservative percentage than that required by the Central Bank. This latter being R\$ 32 million higher than 3Q01.

Loan Portfolio



R\$ million										
Classification	Number of Days in arrears	Required Provisions (%)	Total Loan Portfolio (R\$ MM)	Distribution (%)	Minimum Required (R\$ MM)			Additional Provisions (R\$ MM)	Total Provisions (R\$ MM)	% of risk
					Cumulative Distribution (%)	Overdue Credits	Credit to mature			
AA	0	-	10.669	41.3	41.3	-	-	-	-	0.0
A	0	0.5	7.392	28.6	69.9	-	37	12	49	0.7
B	15 – 30	1.0	2.518	9.8	79.7	3	22	2	27	1.1
C	31 – 60	3.0	3.026	11.7	91.4	12	79	31	122	4.0
D	61 – 90	10.0	603	2.3	93.7	20	40	51	111	18.5
E	91 – 120	30.0	334	1.3	95.0	55	45	31	131	39.3
F	121 – 150	50.0	278	1.1	96.1	77	63	22	162	58.4
G	151 – 180	70.0	310	1.2	97.3	103	114	22	239	77.7
H	> 180	100.0	697	2.7	100.0	381	316	-	697	100.0
TOTAL (*)			25,827	100.0		651	716	171	1,538	
% of risk									6.0%	

(*) Total risk, including the loan portfolio and other receivables as guarantees honored, notes receivable, sundry and credit assignment with joint obligation.

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Top-rated loans classified as AA and A represented, in December 2001, 69.9% of the portfolio. On a cumulative basis, 91.4% of the portfolio consisted of current and overdue credits of up to 60 days, remaining stable in relation to the 91.3% level posted in September 2001.

The table below shows the effects of Resolution 2682 over provisions of the Multiple Bank and its subsidiaries/affiliates, in which we continue to post a satisfactory level of provisions for credit risk.

Capital Adequacy %	Dec-01	Sep-01	Dec-00
Equity / Total assets	10.9	10.4	10.7
Equity/Loans	24.0	24.4	25.9
BIS ratio (under Central Bank of Brazil guidelines)	13.7	13.3	16.5

The tables below show the breakdown of credit risk and provisions by company:

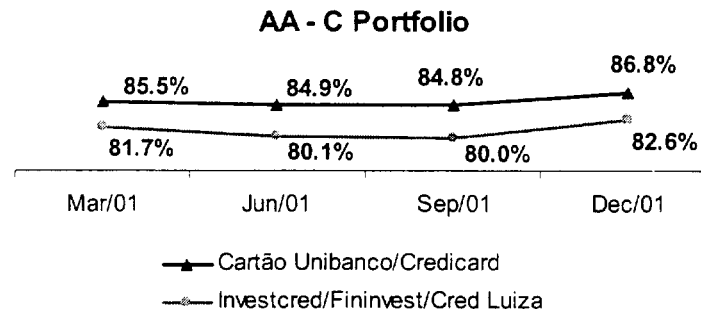
R\$ million

Classification Number of Days in arrears Dec, 2001	Cartão Ubb/ Credicard	Fininvest/ Credi Luiza and Investcred	Multiple Bank and other companies	Unibanco consolidated
AA 0	395	69	10,205	10,669
A 0	1,324	1,387	4,681	7,392
B 15 – 30	125	121	2,272	2,518
C 31 – 60	70	96	2,860	3,026
D 61 – 90	60	73	470	603
E 91 – 120	51	74	209	334
F 121 – 150	45	71	162	278
G 151 – 180	43	68	199	310
H > 180	91	67	539	697
Total	2,204	2,026	21,596	25,827

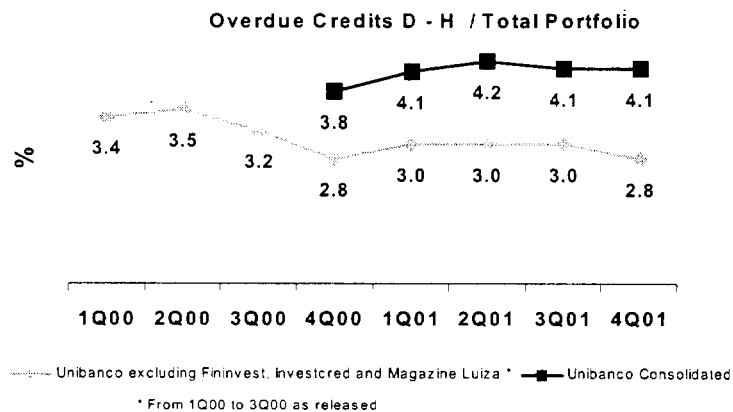
R\$ million

Provision for loan losses classification number of days in arrears Dec, 2001	Cartão Ubb/ Credicard	Fininvest/ Credi Luiza and Investcred	Multiple Bank and other companies	Unibanco consolidated
A 0	13	7	29	49
B 15 – 30	2	1	24	27
C 31 – 60	3	4	115	122
D 61 – 90	11	17	84	111
E 91 – 120	31	32	68	131
F 121 – 150	33	44	85	162
G 151 – 180	36	61	143	239
H > 180	91	67	539	697
Total	220	233	1,085	1,538

The graph below demonstrates the AA – C credit risk evolution of the Cartão Unibanco/Credicard and Fininvest/ Credi Luiza e Investcred, remaining almost stable as shown:



During the last twelve months, Unibanco's consolidated credit portfolio quality, excluding Fininvest, Credi Luiza and Investcred, posted an improvement. The total ratio remained stable Q-o-Q, as shown below:



Funding

Below is Unibanco's consolidated funding for the periods indicated:

R\$ million

Funding	Dec-01	Sep-01	Dec-00	Quarter % change	Annual % change
Total funds in local currency	32,492	31,755	29,640	2.3	9.6
Total deposits	17,272	14,911	12,241	15.8	41.1
Demand deposits	1,836	1,877	2,160	-2.2	-15.0
Savings deposits	4,595	4,060	3,590	13.2	28.0
Interbank deposits	156	221	199	-29.4	-21.6
Time deposits	10,685	8,753	6,292	22.1	69.8
Funds obtained in the open market	7,581	8,877	9,725	-14.6	-22.0
Debentures and mortgage notes	478	457	1,500	4.6	-68.1
Local onlendings (BNDES funds)	4,154	3,778	3,027	10.0	37.2
Tech. provision for insurance, capitaliz. and retir. plans	2,342	2,254	2,101	3.9	11.5
Other	665	1,478	1,046	-55.0	-36.4
Total funds in foreign currency	10,775	12,761	10,250	-15.6	5.1
Total deposits	1,660	1,555	1,109	6.8	49.7
Demand deposits	567	418	232	35.6	144.4
Savings deposits	139	148	116	-6.1	19.8
Interbank deposits	2	1	-	100.0	-
Time deposits	952	988	761	-3.6	25.1
Funds obtained in the open market	506	634	498	-20.2	1.6
Local onlendings (BNDES funds)	282	358	292	-21.2	-3.4
Finance lines for exports and imports	3,325	4,440	3,343	-25.1	-0.5
Eurobonds and commercial paper	2,819	3,441	2,928	-18.1	-3.7
Other	2,183	2,333	2,080	-6.4	5.0
Total funds	43,267	44,516	39,890	-2.8	8.5
Assets under management	20,398	19,868	20,467	2.7	-0.3
Total funds + assets under management	63,665	64,384	60,357	-1.1	5.5

Unibanco's overall funding reached R\$ 63.7 billion by December 31, 2001, down 1.1% and up 5.5% over the last three and twelve months, respectively. Total funding includes R\$ 20.4 billion in assets under management. Total local and foreign funding decreased 2.8% over the quarter to R\$ 43.3 billion on December 31, 2001.

Local funding rose 2.3% over the last three months to R\$ 32.5 billion, mainly due to the growth in savings, time deposits and funds for BNDES onlendings.

The organic growth and the "Poupança Premiada" campaign with draws prizes an increase of 12.5% and 27.7% in the savings balance over the quarter and the year, respectively. The market rose 5.8% and 19.4% in the same periods. The new CDB system launched in the previous quarter contributed with the time deposits balance growth.

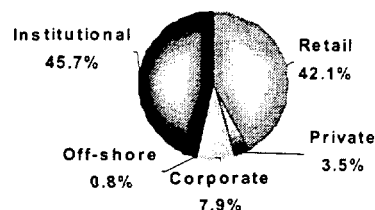
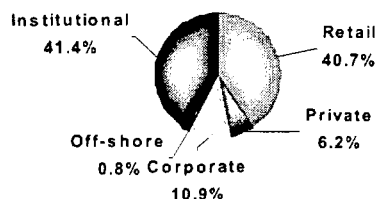
Foreign funding posted a drop of 15.6% over the quarter totaling R\$ 10.8 billion at the end of December 2001. Unibanco's import and export lines were most affected showing a drop of 25.1% in 4Q01 mainly due to the *real* appreciation and the commercial balance performance. When compared to December 2000 figures, the portfolio remained stable.

Funds and portfolios under UAM's management were up 2.7% Q-o-Q, from R\$ 19.9 billion at the end of September 2001 to R\$ 20.4 billion at the end of December 2001, being stable when compared to December 2000.

Funds - Product Mix

September 2001

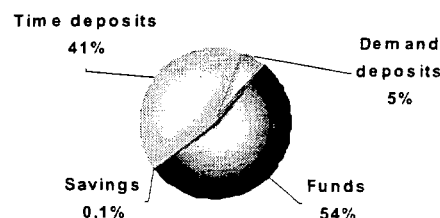
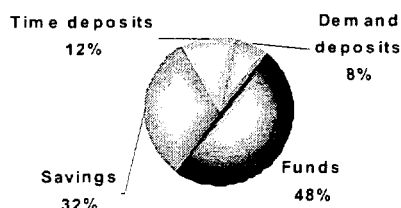
December 2001



Sources of Total Deposits and Funds

Retail
R\$ 14,9 billion

Wholesale
R\$ 24,4 billion



Capital Adequacy Ratio

Below are Unibanco's consolidated main capital adequacy ratios for the periods shown:

Capital Adequacy %	Dec-01	Sep-01	Dec-00
Equity / Total assets	10.9	10.4	10.7
Equity/Loans	24.0	24.4	25.9
BIS ratio (under Central Bank of Brazil guidelines)	13.7	13.3	16.5

The Basle capital adequacy ratio, in accordance with Central Bank guidelines, stood at 13.7% in December 2001, against 13.3% in September 2001 and 16.5% in December 2000. The ratio decline over the year resulted from the increase in the loan and securities portfolio and the change in regulations regarding foreign exchange exposure. This ratio remained comfortably above the Central Bank's minimum requirement of 11%. The tables below show BIS ratio variation over the year and the quarter:

BIS Ratio Impacts on the year	
BIS Ratio on December 31, 2000	16.5%
Risk average assets growth	-3.0%
Changes in the swap credit risk	-0.1%
Changes in market risk	
Foreign exchange position	-0.7%
Interest rate	-0.1%
Adjusted equity growth (mainly net income)	1.3%
Other effects	-0.2%
BIS Ratio on December 31, 2001	13.7%

BIS Ratio Impacts in 4Q01	
BIS Ratio on September 30, 2001	13.3%
Risk average assets growth	0.2%
Changes in market risk	
Foreign exchange position	0.4%
Interest rate	-0.1%
Adjusted equity growth (mainly net income)	-0.1%
BIS Ratio on December 31, 2001	13.7%

Main Subsidiaries and Affiliates

The table below sets forth the equity in results of Unibanco's main subsidiaries and affiliates:

R\$ million

Main Companies	Business	Equity Stake	Adjusted Equity on	Adjusted Net Income				
				(%)	Dec-01	4Q01	3Q01	4Q00
Subsidiaries								
Unibanco AIG Seguros	Insurance	49.7	1,112	32	37	31	140	140
Trevo/Trevo Banorte Seg. ⁽¹⁾⁽⁵⁾	Insurance	49.7	-	1	9	2	20	2
Unibanco Capitalização	Annuities	99.9	152	18	14	9	54	69
Unibanco AIG Previdência ⁽¹⁾	Retirement Plans	49.7	85	5	5	4	23	18
Estrel Adm. Seguros	Insurance Brokerage	99.9	34	6	6	6	24	44
Credibanco (Cartão Unibanco) ⁽²⁾	Credit Cards	98.9	303	33	23	24	92	48
Banco Fininvest ⁽³⁾	Consumer Financing	99.8	198	0	20	10	50	24
Unibanco Asset Management	Asset Management	89.5	18	9	7	6	30	23
Banco Dibens	Banking/Leasing	51.0	142	8	6	6	28	9
Unibanco Leasing	Leasing	99.9	101	7	5	(6)	(4)	57
Banco Bandeirantes ⁽⁴⁾	Banking	100.0	251	2	110	27	140	27
Unibanco Corretora	Brokerage	100.0	52	1	0	(1)	4	29
Affiliates								
AIG Brasil	Insurance	50.0	72	1	7	2	22	6
Credicard/Redecard/Orbitall	Credit Cards	33,3/31,9/ 33,3	356	110	153	80	495	341

(1) Unibanco AIG Previdência, Trevo Seguradora S.A. and Trevo Banorte Seguradora S.A.'s equity and net profit are included in Unibanco AIG Seguros' results, as they are subsidiaries of the latter.

(2) It reflects the incorporation of Cartão Unibanco by Credibanco in April 2001. In 9M00, 9M01 and 3Q00 both companies are considered

(3) Unibanco held a 49.7% stake in Fininvest up to November 30, 2000.

(4) Given the existence of unrealized income, Banco Bandeirantes' shareholders' equity and net income are adjusted to reflect the investment and Unibanco's consolidated equity in net income.

(5) Trevo Seguradora S.A. and Trevo Banorte Seguradora S.A. were incorporated by Unibanco AIG Seguros in November 2001.

Insurance, Capitalization and Pension Plans

Unibanco's Insurance, Capitalization and Pension Plans companies, posted consolidated gross revenues of R\$ 2.2 billion in 2001, up 23.8% Y-o-Y. Gross revenues totaled R\$ 623 million for 4Q01, with 14.9% increase over 3Q01. Net income of the companies totaled R\$ 216 million in 2001 and R\$ 51 million in 4Q01, 12.1% below the 3Q01 and 21.4% above 4Q00.

Technical reserves managed by the companies totaled R\$ 2.3 billion at the end of the period, showing an increase of 11.5% Y-o-Y and 3.9% Q-o-Q.

Insurance

Unibanco Seguros and AIG Brasil in 2001 started operating as a single brand – Unibanco AIG Seguros & Previdência. Gradually, AIG Brasil and Unibanco Seguros merged their operational and administrative areas. The new brand combined with the incorporation of Trevo Seguradora and Trevo Banorte Seguradora – Banco Bandeirantes' companies – contributed to the strong growth of the period. AIG Brasil still operates offering its products to banks that do not operate their own insurance business.

The Insurance companies generated a net income of R\$ 162.4 million in 2001, up 11% Y-o-Y, of which R\$ 81.6 million contributed to Unibanco's results. Net income in 4Q01 amounted to R\$ 33 million, down 25% compared to 3Q01 due to the *real* appreciation vis à vis the US dollar which adversely affected the result of part of the company's reserves. If we exclude the *real* appreciation effect, *pro forma* net income in 4Q01 and 2001 would be R\$ 59 million up 34.1% and R\$ 188.4 million up 29.0%, respectively.

Net premiums issued of R\$ 1,413 million in 2001 increased 23.1% Y-o-Y, above the 4% projected growth of the sector, due to the incorporation of the insurance companies Trevo and the company organic growth. Net premiums during 4Q01 reached R\$ 398 million, up 11% vs. the previous quarter - a growth substantially superior compared to the market projection for the quarter of 0.5%.

The insurance company's technical reserves reached R\$ 657 million in 2001, up 16.7% Y-o-Y.

R\$ million					
Consolidated Insurance Figures	4Q01	3Q01	4Q00	2001	2000
Gross revenues/net premiums written	398	359	292	1,413	1,148
Underwriting result	54	52	56	228	204
Personnel & administrative expenses	(48)	(47)	(50)	(194)	(184)
Taxes and DPVAT (mandatory car insurance)	(6)	(8)	(7)	(29)	(30)
Operational income	0	(3)	(1)	5	(10)
Financial income / Equity	40	51	45	181	202
Income before taxes	40	48	39	185	187
Net income	33	44	33	162	150
Combined ratio % ⁽¹⁾	99.9	101.1	100.2	99.6	101.1

Obs: Trevo/Trevo Banorte consolidated from January, 2001

(1) (Operating expenses + administrative expenses + selling expenses) / premiums earned.

Unibanco's insurance companies posted administrative expenses of R\$ 194 million in 2001, up 10.8%. When the base of the previous year was adjusted, *pro forma*, for the acquisition of the Trevo and Trevo Banorte insurance companies, there was a reduction in expenses amounting to R\$ 28 million, i.e., a 12.6% reduction over the period, reflecting the benefits of the merge of its commercial activities implemented early in the year. In 4Q01, administrative expenses totaled R\$ 48 million, being stable compared to the previous quarter.

The insurance companies consolidated combined ratio of 99.6% in 2001 improved 150b.p. compared to the previous year ratio, and lower than the market projected average of 103%. The drop in combined ratio results from distinguished policies on underwriting, prevention and regulation of claims.

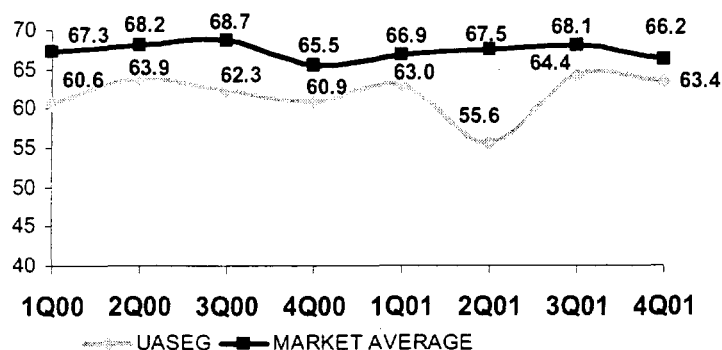
The insurance companies seek to focus their production on effective risk-return products.

Consolidated Insurance Premiums Earned by type (%)					
	4Q01	3Q01	4Q00	2001	2000
Life	27.1	27.9	29.4	27.8	30.0
Health	6.9	7.0	7.4	6.9	7.4
Auto	40.1	41.8	40.0	42.2	39.7
Others ⁽¹⁾	25.9	23.3	23.2	23.1	22.9
Total	100.0	100.0	100.0	100.0	100.0

(1) Includes property, cargo, maritime and other insurance.

The company's policies of underwriting, prevention and regulation of claims, contributed also to improve the claims ratio in 1%, as per illustrated below:

Claims Ratio (%) ⁽¹⁾

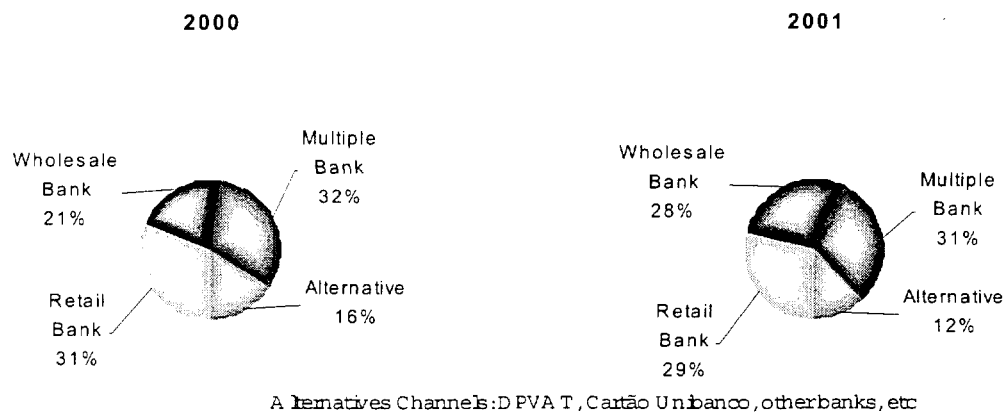


Source: SUSEP

(1) For 2000, it does not include Trevo Seguradora and Trevo Banorte Seguradora

The graph below shows the insurance premiums distributed per channel for 2000 and 2001:

Premiums earned Distribution by Channel



Capitalization

Unibanco Capitalization generated net income of R\$ 53.7 million in 2001, increasing 34% Y-o-Y over the recurring net income, when excluding the extraordinary impact of tax litigation contingency reversal. Such performance is due to the change in the MegaPlin product features, increasing its profitability by 8%. Net income of R\$ 18 million in 4Q01 was up 28.6% Q-o-Q.

Gross revenues reached R\$ 248 million in 2001 and R\$ 64 million in 4Q01. The company closed the period with technical reserves of R\$ 232 million and total assets of R\$ 414 million.

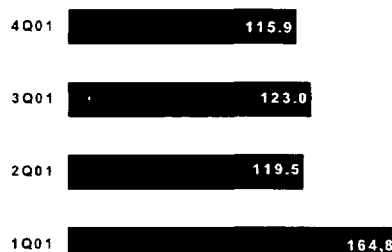
Private Pension Plans

Unibanco AIG Previdência posted R\$ 23.3 million in net income in 2001, up 27.8% Y-o-Y. In 4Q01 net income totaled R\$ 5 million, in line with 3Q01. Such performance is due to higher premiums totaling R\$ 523.2 million

in 2001, up 41.8% Y-o-Y, above the market growth for the period of 38.4%. This growth above the market levels was due to the launch of new products (Prever Invest) combined with the company's organic growth and the incorporation of the private pension plan portfolio of the Bandeirantes group amounting to R\$ 36 million.

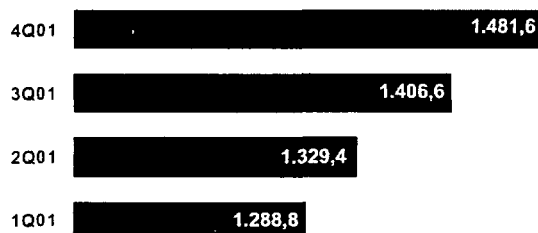
The company services approximately 477,000 individual customers and 785 corporate customers, consolidating its leadership in the Large Corporate segment of the market.

Pension Plan Premiums - R\$ Million



Technical reserves stood at R\$ 1.48 billion on December 31, 2001, a 24% rise over December 2000. As a result, the company maintained its 3rd place ranking in technical reserves, based on preliminary data for December 2001 from ANAPP (National Private Pensions Association).

Technical Reserves in R\$ million



Credit Cards

In the credit card segment, Unibanco operates through **Credibanco (Cartão Unibanco)**, **Credicard Group (Credicard, Redecard and Orbital)** and **Fininvest Cartões**. The companies posted a good performance in 2001, reinforcing Unibanco's leadership in this market.

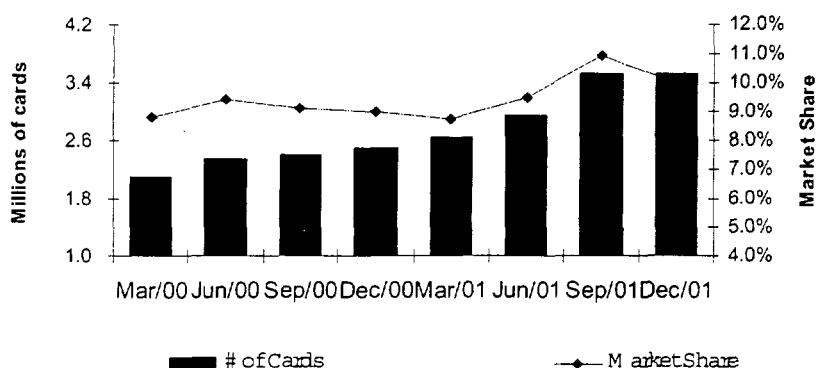
Credibanco (Cartão Unibanco)

Credibanco S.A. incorporated the Cartão Unibanco company in April 2001; with the Cartão Unibanco brand being maintained as a trade name, due to its strong marketing appeal. The company's name was changed to Banco Credibanco S.A., thus, Credibanco became a bank focused on the credit card business within the Unibanco group.

Credibanco (Cartão Unibanco) net income reached R\$ 92 million in 2001, a 91.7% Y-o-Y increase as a result of the incorporation of Cartão Unibanco by Credibanco and the incorporation of Banco Bandeirantes cards base which expanded its clients base and scale.

Credibanco *pro forma* results in 2001 was R\$ 21 million, being the credit cards business net income R\$ 71 million in the period, up 47.9% in the year. In 4Q01, the company net income totaled R\$ 33 million, a 43.5% increase over 3Q01 due to the seasonality of the credit cards market. Other relevant factors were the launch of new products and the increase in the use of credit cards as a means of payment. Consequently, the company's total volume, measured by cardholder purchases and cash advances, reached R\$ 4.2 billion against R\$ 3.3 billion in 2000, a 27.3% increase. Total outstandings reached R\$ 308 million, 42.7% above the R\$ 216 million posted in 2000. The total number of cards issued reached 3.5 million in 2001 against 2.5 million in 2000, representing a 40% growth and raising the company's market share from 9% to 10%.

Cartão Unibanco Portfolio



Below are Credibanco (Cartão Unibanco) main indicators for the periods shown:

	4Q01	3Q01	4Q00	2001	2000
Total Credit Cards (thousand)	3,535	3,516	2,512	3,535	2,512
Volume (R\$ million)	1,185	1,048	861	4,194	3,257
Average Outstanding (R\$ million)	354	298	254	308	216
Transactions (million)	16	14	13	54	47
Fee Income (R\$ million)	46	40	40	159	140
Total Revenues (R\$ million)	94	163	78	466	285
Net Income (R\$ million) *	33	23	24	92	48

* In 2001 includes Bandeirantes Adm. Cartões and Credibanco

Grupo Credicard

The Credicard group companies - **Credicard, Redecard and Orbitall** – Brazil's credit card market leaders, posted R\$ 495 million and R\$ 110 million in net income for the year and the quarter, respectively, up 45.2% in the year.

Results were up by 8.77% Q-o-Q, when excluding the extraordinary impact in 3Q01 of a favorable judicial sentence for fiscal contingencies. As for the full year, the billings benefited from the good performance of the credit card market, which grew by 24.9%, as well as from stable spreads when compared to the previous year.

Of the total income of the Credicard Group's companies, R\$ 199 million had an impact on Unibanco's 2001 results, of which R\$ 48 million in 4Q01. The Credicard Group's billings amounted to R\$ 26.8 billion in 2001, up 23% Y-o-Y.

Fininvest Administradora de Cartões

During 2001, Banco Fininvest became the issuer of Fininvest brand cards. As a result, Fininvest Administradora

de Cartões became a provider of administrative and operating services to Banco Fininvest and was renamed Fininvest Negócios de Varejo (Fininvest Retail Business), remaining as a subsidiary of Banco Fininvest.

Banco Fininvest (Fininvest)

Fininvest provided equity in results amounting to R\$ 50.2 million in 2001 with growth of 108.3% vis-à-vis year 2000. ROAE was 27.7%. The 4Q01 net income was impacted by an additional preventive provision of R\$ 31 million above the minimum percentages required, and R\$ 7.5 million in expenses arising from business expansion projects. The company ended the period with R\$ 1.6 billion in loans, R\$ 2.2 billion in assets, approximately 3.9 million active clients and 102 stores in the main cities in Brazil.

	R\$ million					
	4Q01	3Q01	4Q00	2001	2000	Annual change
Operation						
Number of transactions MM	12	10	9	40	28	42.9%
Average ticket R\$	94	95	101	96	99	-3.0%
Average maturity (days)	80	86	97	86	101	-
Interest rate (%p.m.)	8.6%	8.9%	7.8%	8.4%	8.0%	-
Spread (%p.m.)	6.7%	7.1%	6.3%	6.7%	6.6%	-
Total Risk	1,734	1,613	1,453	1,734	1,453	19.3%
Balance of provision for lending, leasing and other credit losses *	(195)	(151)	(135)	(195)	(135)	44.4%
% Balance of provision / Total Risk *	11.2%	9.4%	9.3%	11.2%	9.3%	-
% Provisions / Total Risk *	12.3%	9.9%	10.5%	39.2%	20.0%	-
% net charge-off	8.4%	7.6%	3.9%	28.5%	10.8%	-
Headcount	5,102	4,819	3,537	5,102	3,537	44.2%
Total revenues	300	242	203	1,003	721	39.1%
Net charge-off	(196)	(127)	(111)	(560)	(386)	45.1%
Administrative expenses	(115)	(95)	(118)	(393)	(328)	19.8%
Profit sharing	(3)	(0)	(1)	(5)	(8)	-37.5%
Net income	0	20	10	50	24	108.3%

* Consolidated 50% until nov/00 and 100% since dec/00

In the year, Fininvest continued to implement its outlet network expansion plan. The objective is to reach C and D lower income segments on a broad scale, through the inauguration of 38 new stores throughout Brazil. These stores performed well both in terms of volume and results, many of which have posted faster paybacks than the expected 18-month planned period.

Still based on the strategy of enhancing growth and profitability, Fininvest signed partnerships with the Pão de Açúcar, Extra and the Barateiro supermarket chains, among others, to issue private label cards for their customers. Initially this operation impacted the corporate results negatively by R\$ 3.1 million, before taxes, due to start-up investments, which should be reversed during 2002.

In 2001, studies were initiated on the synergy gains – totaling R\$ 57 million – over an expense base amounting to R\$ 699 million from Fininvest, Cartão Unibanco (Credibanco) and Unibanco were started, by merging common activities, eliminating overlaps, streamlining processes and company structures. This measure had already positively impacted the 2001 results – roughly R\$ 7.5 million, before tax. More substantial impacts should materialize in the next two years.

Fininvest administrative expenses totaled R\$ 394 million for the year and R\$ 115 million in 4Q01, with a change of 20.1% in the year and 21.1% in the quarter, due to the expansion of the network and the establishment of new partnerships, as mentioned in the preceding paragraphs.

Investments in the company's expansion projects totaled R\$ 40 million over the full year and R\$ 10 million in 4Q01, with a negative impact of R\$ 15 million and R\$ 7.5 million on the year's and the 4Q01's results, respectively.

In October 2001, Banco Fininvest S.A. acquired 50% of the Credi Luiza capital stock, as a result of the Unibanco's association with Magazine Luiza, with the objective of financing its clients. Consequently, the financial statements of Credi Luiza are consolidated within Banco Fininvest S.A.

Banco Dibens

Banco Dibens' 2001 net income reached R\$ 28 million up 211.1% over the R\$ 9 million posted in the previous year. 4Q01 net income totaled R\$ 8 million, increasing 33.3% Q-o-Q. The bank ended the year with a R\$ 1,090 million loan portfolio, up 45.7% over 2000 and 6.0% over 3Q01.

Leasing

Unibanco Leasing's net income was impacted by the sector's general contraction and mainly due to the incorporation of Leasing Bandeirantes. In payment for the company, in January 2001, UBB Leasing reduced its securities portfolio by R\$ 140 million. Additionally, in order to standardize criteria, R\$ 17 million were provisioned before taxes, for fiscal contingencies and R\$ 5 million for goodwill's amortization.

Asset Management

Our subsidiary Unibanco Asset Management (UAM) ended December 2001 with R\$ 20.4 billion in assets under management, down 0.3% in the year and 2.7% in the quarter.

Income arising from assets under management totaling R\$ 248 million during 2001 posted a 13.2% rise when compared to the previous year due to changes in the product mix. In 4Q01, these revenues totaled R\$ 62 million, or at the same level of the previous quarter.

In the private pension fund segment, UAM had R\$ 5.028 billion under management, equivalent to a 13.4% market share at the end of December 2001, according to Anbid (the National Investment Banks Association), ranking the company 2nd in this market.

At the end of the year, UAM started rendering back-office services to ABN-Amro Asset Management. It is the first large-scale operation of this kind in the market, significantly strengthening UAM's institutional custody business. The volume involved in the agreement, R\$ 15 billion, will provide immediate benefits: scale gains, and consequently, reduction of unit costs. UAM is strategically positioned to benefit from this market trend, as it is capable of fulfilling, with quality, the needs of its asset management peers.

During this fiscal year, a new distribution channel was created - Alternative Channels - targeting a sophisticated market, namely, other financial institutions and consultants. These are portfolio or asset managers interested in offering the market's best funds to their customers, largely private banking clients. Although still modest, the volume of funds managed doubled in four months of operation.

Performance Overview

The Brazilian Economy

In 2001, the economic outlook was characterized by a strong reversal of expectations. GDP growth, at 2%, was below the originally expected 4%. At the end of the year the interest rate (Selic) stood at 19% per year, whereas a falling trend had been anticipated. Inflation, as measured by the IPCA, reached 7.7%, above the year's 6% target.

Several elements led to these reversals. The slowdown of the US economy was worse than expected and its

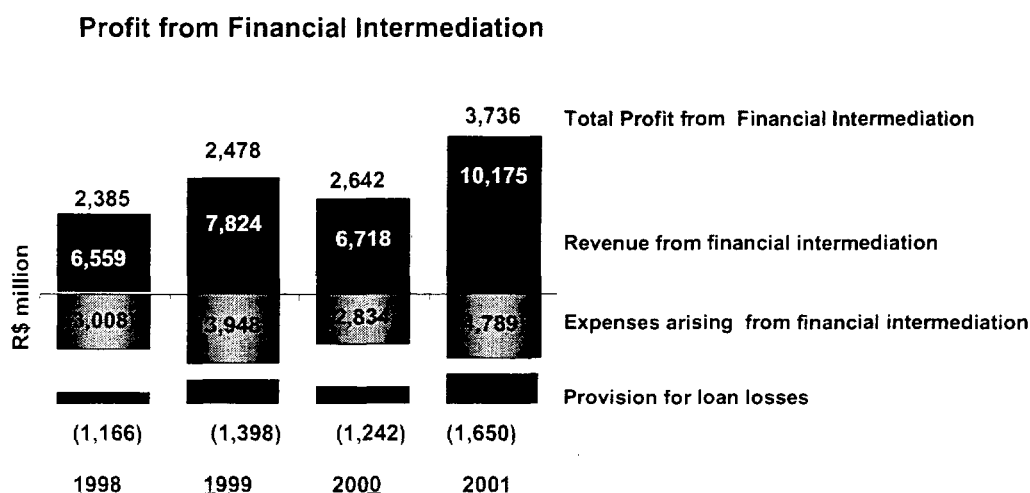
effects reached other continents. The Argentine crisis lingered on impacting international markets risk perception for the region. On the domestic front, the energy rationing increased concerns as to the availability of this strategic resource. The perception of such circumstances led to growing doubts as to Brazil's capacity to finance its balance of payments, which in turn put pressure on the *real* in the forex markets. Consequently, a greater than expected exchange rate devaluation ended up having an adverse impact on inflation, leading monetary authorities to adopt higher interest rates policy.

Nonetheless, the relevance of these impacts on the performance of Brazil's economy in 2001 highlighted a strong capacity to overcome adversity and attraction as regards its potential. Inflation remained below 8% and foreign direct investments is estimated to have reached US\$ 23 billion. Total credit expanded 4.2%, whereas the private financial sector grew by 21%. Trade balance accounts posted a US\$ 2.7 billion surplus. This figure, although modest, was the first surplus since 1994.

The *real* appreciated 13.1% in the quarter, closing the year at R\$ 2.32/US\$. The exceptional performance of the trade balance in 4Q01 (a US\$ 1.4 billion surplus) was a chief factor in driving the reversal of the currency devaluation trend. The quarter's IPCA consumer price index, still high at 2.2%, kept the Central Bank from reducing the Selic interest rate. Industrial activity fell by 3.6% during the last quarter, but in seasonally adjusted terms it was stable relative to the third quarter. Total credit granted by the financial system also remained essentially stable in the last quarter.

Results

Below are financial intermediation revenues, expenses and income, for the periods indicated:



2001's financial intermediation revenues of R\$ 10.2 billion rose by 51.5% over the previous year, mainly because of the credit growth due to the consolidation of Banco Bandeirantes and, the additional 50% from Banco Fininvest (December, 2000), and as a result of the organic growth of the businesses. In 4Q01, revenues from dollar indexed loans and securities contracted as a result from the *real* appreciation. The *real* appreciation also reduced financial intermediation expenses when compared to previous quarters.

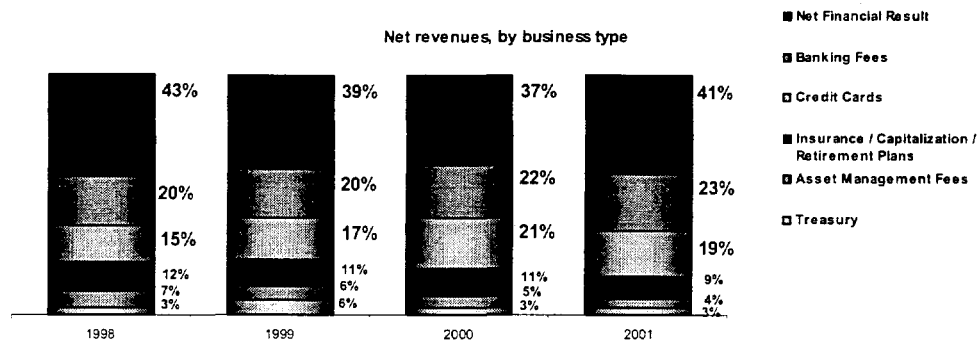
Allowances for Lending, Leasing and Other Credits losses totaled R\$ 1,650 million for the year and R\$ 489 million in 4Q01. The increase in both, the annual and quarterly provisions are largely due to higher expenses in the low-income consumer finance segment. Fininvest, Credi Luiza and Investcred together posted expenses of R\$ 686 million in the year and R\$ 220 million in 4Q01. Although this is high relative to the balance of the portfolio, these are characteristics of the low-income customer segment, which combines high spreads with higher operating losses and costs, given the low value of the average ticket, is not compatible with service in traditional bank branches services. Provisioning expenses are detailed below in the section Allowances for

Lending, Leasing and other Credits Losses.

The average spreads of products, particularly those of the Retail Bank, posted positive oscillations in comparison to the previous quarter, largely because of the mix of products (eg. overdraft, personal credit, consumer finance). Within the Wholesale Bank, the larger volume of onlending transactions in local currency also favored better spreads.

To sum up, result of the financial intermediation before the Allowances for Credit of R\$ 1.5 billion in the 4Q01, was up 11.5% over 3Q01. The unfavorable effects of the foreign exchange over the portfolios were outweighed by volume growth and proper risk management.

Total Net Other Operating Income and Expenses, at negative R\$ 202 million in 4Q01, was R\$ 269 million - lower to 3Q01. This is due to the *real* appreciation, as this item includes gain and losses from investments abroad net of hedging effects.



Unibanco's investments in branches and subsidiaries abroad, totaling R\$ 2.3 billion in December 2001, were partially hedged in 4Q01. The resulting net impact of the *real* appreciation during the quarter was of R\$ 210.3 million, as shown below:

	R\$ million		
Managerial impact of Investments Abroad	4Q01	3Q01	2Q01
Exchange Rate Fluctuation on Investments Abroad	(324.7)	310.6	125.2
Hedge on Investments Abroad	188.2	(141.8)	(46.5)
Managerial net impact	(136.5)	168.8	78.7
Opportunity Cost	(73.8)	(75.7)	(64.5)
Managerial Impact of Investments Abroad	(210.3)	93.0	14.2

Below are the Unibanco's consolidated main assets and liabilities in foreign and local currencies for the periods indicated.

	R\$ million	
	Dec-01	Sep-01
Securities Portfolio - local currency	8,280	7,402
Securities Portfolio - foreign currency	7,075	7,492
Total Securities Portfolio	15,355	14,894
Loan Portfolio (net) - local currency	17,351	16,007
Loan Portfolio (net) - foreign currency	6,469	7,265
Net loan	23,820	23,272
Deposits - local currency	17,272	14,911
Deposits - foreign currency	1,660	1,555
Total Deposits	18,932	16,466
Notes and debentures in local currency	478	457
Notes and debentures in foreign currency	2,819	3,441
Total Notes and debentures	3,297	3,898
Borrowings and onlendings local currency	4,331	3,979
Borrowings and onlendings foreign currency	5,420	6,667
Total borrowings and onlendings	9,751	10,646

Provision for Lending, Leasing and Other Credits Losses.

Below are Unibanco's consolidated changes in Provision for Lending, Leasing and other Credits Losses for the periods indicated:

	R\$ million				
Provision for loan losses	4Q01	3Q01	4Q00	2001	2000
Allowance for loan losses (opening balance)	1,564	1,654	1,172	1,484	972
Expense with provisions for loan losses	489	346	365	1,650	1,242
Balance included/adjusted	38	-	406	38	491
Loan charge-off	(553)	(436)	(459)	(1,634)	(1,221)
Allowance for loan losses (closing balance)	1,538	1,564	1,484	1,538	1,484
Net write-off / Total loan portfolio	1.4%	1.3%	1.7%	4.6%	3.8%
Loan recovery	180	104	89	440	383

	R\$ million			
Provision for loan losses for the year 2001	Cartão Ubb/ Credicard	Fininvest/ Credi Luiza and Investcred	Multiple Bank and others	Unibanco consolidated
Provision for loan losses (opening balance)	154	134	1,196	1,484
Expense with provisions for loan losses	348	686	616	1,650
Balance included/adjusted	1	38	(1)	38
Loan charge-off	(283)	(625)	(726)	(1,634)
Provision for loan losses (closing balance)	220	233	1,085	1,538
Net write-off / Total risk	9.0%	24.6%	2.3%	4.6%
Loan recovery	84	126	230	440

R\$ million

Provision for loan losses for 4Q01	Cartão Ubb/ Credicard	Fininvest/ Investcred/ Credi Luiza	Multiple Bank and others	Unibanco consolidated
Provision for loan losses (opening balance)	251	151	1,162	1,564
Expense with provisions for loan losses	92	220	177	489
Balance included/adjusted	-	38	-	38
Loan charge-off	(123)	(176)	(254)	(553)
Provision for loan losses (closing balance)	220	233	1,085	1,538
Net write-off / Total risk	4.5%	7.5%	0.6%	1.4%
Loan recovery	24	25	131	180

Total provisioning expenses for the 4Q01 were R\$ 489 million, compared to R\$ 346 million in 3Q01 and R\$ 365 million in 4Q00. Those provisions were constituted in accordance to the Central Bank Resolution 2682. The performance of the credit portfolio in the segments of credit cards and low-income customers pressured those expenses upwards - a feature of these segments, as previously mentioned. Additional provisions above requirements of R\$ 44 million were kept for the credit card business and R\$ 31 million for Fininvest/Credi Luiza and Investcred.

Income for Services Rendered

Below is the breakdown of Unibanco's consolidated income for services rendered in the periods indicated:

R\$ million

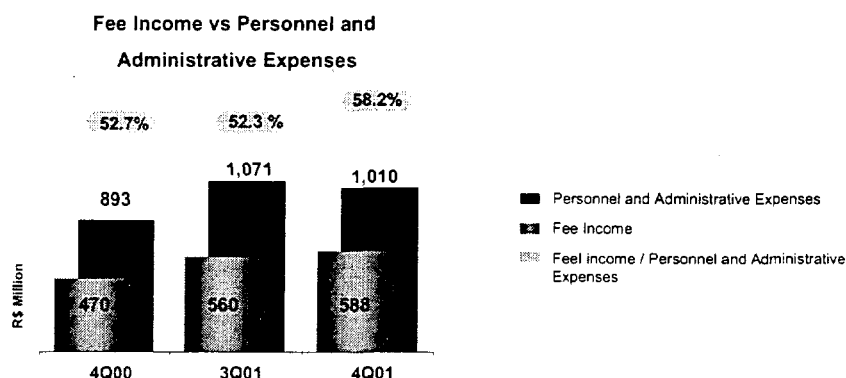
Fee Income	4Q01	3Q01	4Q00	2001	2000
Banking fees and other fees and commissions	283	273	228	1,073	802
Credit Cards	243	226	180	864	619
Assets under management	62	61	62	248	219
Total fee income	588	560	470	2,185	1,640

Fee income for 4Q01 totaled R\$ 588 million, a 5.0% Q-o-Q increase and a 25.1% increase when compared to 4Q00. In 2001, total fee income of R\$ 2,185 million grew by 33.2% over last year.

Banking fees amounted to R\$ 283 million in the 4Q01, a 3.7% increase from the previous quarter, and 24.1% over 4Q00. This growth resulted from the successful efforts of our organic growth plan ContAtiva, and the wider range of products offered to our customers.

4Q01's revenues in the credit card business rose 7.5% comparing to the 3Q01 due to the seasonal behavior of this market with the volume of transactions up 9% Q-o-Q.

Asset management fees rose 13.2% Y-o-Y due to the change in the products mix. In 4Q01 these fees remained stable.



UNIBANCO
Investor Relations

Personnel and Administrative Expenses

Below is the breakdown of Unibanco's consolidated personnel and administrative expenses for the periods shown:

R\$ million					
Total expenses	4Q01	3Q01	4Q00	2001	2000
Multiple Bank UBB + Bandeirantes	615	655	593	2,461	2,020
Multiple Bank ContAtiva	32	29	2	100	2
Subtotal UBB + Bandeirantes	647	684	595	2,561	2,022
Fininvest (50% until Nov/00)	115	95	59	393	164
Other subsidiaries and affiliates	248	292	239	1,009	816
Total	1,010	1,071	893	3,963	3,002
Consolidated Unibanco + Bandeirantes and Fininvest proforma					
Multiple Bank UBB + Bandeirantes	647	684	757	2,561	2,637
Fininvest (100%)	115	95	118	393	328
Other subsidiaries and affiliates	248	292	239	1,009	816
Total Consolidated	1,010	1,071	1,114	3,963	3,781

In 4Q01, the R\$ 1,010 million of total personnel and administrative expenses fell R\$ 61 million, or 5.7% when compared to 3Q01. In 2001 the expenses amounted to R\$ 3,963 million - 32.0% higher than the previous year due to the Bandeirantes acquisition, the remaining 50% of Fininvest, collective bargaining and organic growth. *Pro forma*, when adjusting the previous year by the Bandeirantes acquisition, the Multiple Bank + Bandeirantes' expenses were down 2.9%, from R\$ 2,637 million for 2000 to R\$ 2,561 million for 2001. The consolidated vision demonstrates an increase of 4.8%. In other affiliates and subsidiaries, the increase over the year, refers basically to the following companies:

- **Insurance, Capitalization and Pension Plans:** R\$ 27 million in personnel and R\$ 17 million in administrative expenses due to the incorporation of Trevo and Trevo Banorte insurance companies and by the absorption of AIG Brasil (not consolidated) administrative and operational activities;
- **Banco1.net,** R\$ 10 million in personnel and R\$ 21 million in administrative expenses due to the re-structuring of the bank as an independent company;
- **Tecnologia Bancária (TecBan):** R\$ 3 million in personnel and R\$ 11 million in administrative expenses due to stake expansion (from 19.1% to 24.1%), higher volume of transactions and expenses resulting from equipment remodeling;
- **Serasa Company:** R\$ 8 million in personnel and R\$ 12 million in administrative expenses due to stake expansion (from 14.6% to 19.1%) and higher volumes;
- **Credicard:** R\$ 3 million in personnel and R\$ 45 million in administrative expenses due to higher billings and transactions volume increase.

Below are the breakdown of expenses for the periods indicated:

R\$ million					
Personnel Expenses	4Q01	3Q01	4Q00	2001	2000
Multiple Bank + Bandeirantes ⁽¹⁾	246	290	249	1,054	824
Multiple Bank ContAtiva	25	24	1	79	1
Subtotal Bank + Bandeirantes	271	314	250	1,133	825
Fininvest ⁽²⁾	39	33	20	132	59
Other subsidiaries and affiliates	83	91	76	338	281
Total	393	438	346	1,603	1,165

(1) Consolidated in December 2000.

(2) Until November 2000 only 50% was consolidated.

R\$ million

Administrative expenses	4Q01	3Q01	4Q00	2001	2000
Multiple Bank + Bandeirantes ⁽¹⁾	369	365	344	1,407	1,196
Multiple Bank ContAtiva	7	5	1	21	1
Subtotal Bank + Bandeirantes	376	370	345	1,428	1,197
Fininvest ⁽²⁾	76	62	39	261	105
Other subsidiaries and affiliates	165	201	163	671	535
Total	617	633	547	2,360	1,837

(1) Consolidated in December 2000.

(2) Until November 2000 only 50% was consolidated.

The Multiple Bank's 4Q01 personnel expenses of R\$ 271 million decreased 13.7% from 3Q01, mainly due to the completion of Banco Bandeirantes' integration. Fininvest posted an increase related to the expansion plan of the company's network and activities which called for increase in headcount.

The consolidated administrative expenses of R\$ 617 million in the 4Q01 are 2.5% less than the previous quarter. In the Unibanco Multiple Bank plus Banco Bandeirantes the expenses raised just 1.6% even considering the readjustments of mailing expenses, phone services and data processing, as well as higher expenses with money preparation and transport, telemarketing and marketing. In other subsidiaries, including Fininvest, the administrative expenses showed improvement of 8.4% over the quarter.

Main Performance Ratios

Below are Unibanco's main consolidated performance ratios in the periods indicated:

Performance %	4Q01	3Q01	4Q00	2001	2000
Service fees / Personnel and administrative expenses	58.2	52.3	52.7	55.1	54.6
Service fees / Personnel expenses	149.7	128	136.1	136.3	140.8
Efficiency ratio ⁽¹⁾	58.4	58.4	64.7	58	60
Annualized net financial margin ⁽²⁾	12.1	10.7	10.1	10.7	9.9

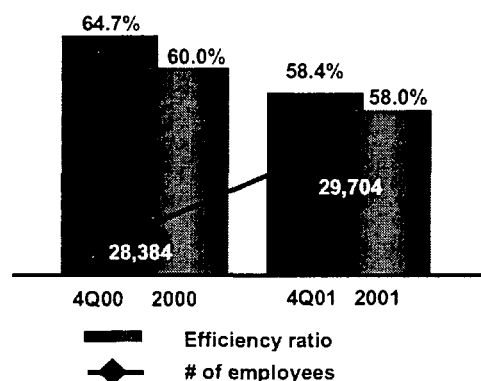
(1) (Personnel Expenses + Other Administrative Expenses) / (Net Income from Financial Intermediation + Provisions for Loan Losses + Fee Income + Insurance, Capitalization and Pension Plans Premiums + Changes in technical provisions for insurance, capitalization and private retirement plans + Claims + Private Retirement plans benefits expenses + Selling and other insurance and private and private retirement plans expenses + Credit card selling expenses + Taxes + Other Operating Income - Other Operating Expenses).

(2) (Net Income from Financial Intermediation + Provision for Loan Losses) / (Average Total Assets - Average Permanent Assets).

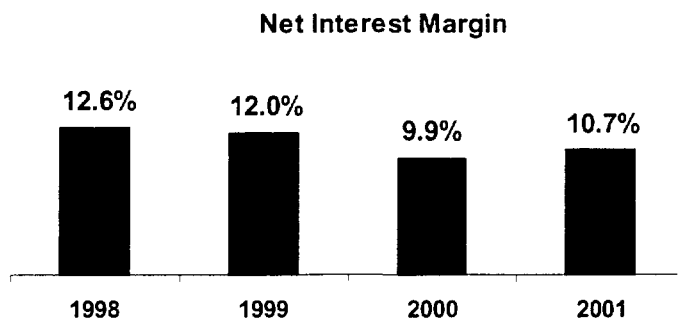
The 4Q01 efficiency ratio of 58.0%, showed improvement when compared to the 60% ratio posted in 2000. Over the quarter, it remained stable, despite of the *real* appreciation.

At the end of December 2001, the Unibanco group, including its subsidiaries, Bandeirantes and Fininvest, had 29,704 employees, compared to 29,673 at the end of September, 2001. This increase was mainly a result of Fininvest's network expansion and partnerships with supermarkets and retailers.

Efficiency Ratio and # of employees



The 4Q01 annualized net financial margin was 12.1%, above the 3Q01 ratio of 10.7%, as the portfolio growth and product mix effect as well as appropriate risk management surpassed the unfavorable effects of the exchange rate during the quarter, as mentioned before.



- Unibanco's full financial statements will be available in our website at <http://www.unibanco.com.br>, option Investor Relations – Press Release – Results, as soon as they were filled with the CVM –Brazilian Securities Exchange Commission.

This press release contains forward looking statements regarding Unibanco, its subsidiaries and affiliates - anticipated synergies, growth plans, projected results and future strategies. Although these forward looking statements reflect management's good faith beliefs, they involve known and unknown risks and uncertainties that may cause the Company's actual results or outcomes to be materially different from those anticipated and discussed herein. These risks and uncertainties include, but are not limited to, our ability to realize the amount of the projected synergies and on the timetable projected, as well as economic, competitive, governmental and technological factors affecting Unibanco's operations, markets, products and prices, and other factors detailed in Unibanco's filings with the Securities and Exchange Commission which readers are urged to read carefully in assessing the forward-looking statements contained herein. Unibanco undertakes no duty to update any of the projections contained herein.

The Year 2001 Conference Call will be held on February 22, at 8:00 a.m. in Portuguese, and at 10:00 a.m. (Eastern Time) in English. See the webcast presentation through site www.unibanco.com, Investor Relations option – Presentation - Webcasting. For greater information, contact us by sending an e-mail to investor.relations@unibanco.com.br, or by phone 0xx11-3097-1313.

Attached, Summary Financial Information

UNIBANCO - UNIÃO DE BANCOS BRASILEIROS S.A. AND SUBSIDIARIES
SUMMARY CONSOLIDATED BALANCE SHEET

R\$ million

	Dec-01	Sep-01	Dec-00	Quarter % change	Annual % change
ASSETS					
Cash and due from bank	993	787	528	26.2%	88.1%
Interbank investments	4,698	6,729	7,137	-30.2%	-34.2%
Marketable securities	15,355	14,894	12,932	3.1%	18.7%
Interbank accounts	1,602	2,643	1,475	-39.4%	8.6%
Lending, leasing and other credits portfolio	25,358	24,836	21,615	2.1%	17.3%
Allowance for lending, leasing and other credits losses	(1,538)	(1,564)	(1,484)	-1.7%	3.6%
Net loans	23,820	23,272	20,131	2.4%	18.3%
Foreign exchange portfolio, except for ACC ⁽¹⁾	418	901	1,362	-53.6%	-69.3%
Negotiation and intermediation of securities	619	1,011	351	-38.8%	76.4%
Investments	1,694	1,609	1,657	5.3%	2.2%
Fixed and leased assets	1,241	1,271	1,226	-2.4%	1.2%
Deferred charges	629	552	454	13.9%	38.5%
Other assets	4,547	4,406	4,243	3.2%	7.2%
Total assets	55,616	58,075	51,496	-4.2%	8.0%
LIABILITIES					
Deposits	18,932	16,466	13,350	15.0%	41.8%
Securities sold under repurchase agreements	8,087	9,511	10,223	-15.0%	-20.9%
Resources from securities issued	3,297	3,898	4,428	-15.4%	-25.5%
Interbank accounts	59	1,299	46	-95.5%	28.3%
Borrowings and onlendings in Brazil - Governmental agencies	9,751	10,646	8,163	-8.4%	19.5%
Technical provisions for insurance, capitalization and retirement plans	2,342	2,254	2,101	3.9%	11.5%
Foreign exchange portfolio ⁽¹⁾	542	755	1,167	-28.2%	-53.6%
Negotiation and intermediation of securities	280	944	448	-70.3%	-37.5%
Other liabilities	5,220	5,191	5,137	0.6%	1.6%
Total liabilities	48,510	50,964	45,063	-4.8%	7.6%
Minority interest	1,034	1,046	929	-1.1%	11.3%
Stockholder's equity	6,072	6,065	5,504	0.1%	10.3%
Total liabilities + stockholders' equity	55,616	58,075	51,496	-4.2%	8.0%

(1) Refers to foreign exchange settlement positions, which should be recorded by their total value on both the asset and the liability sides, under Central Bank of Brazil guidelines.

UNIBANCO - UNIÃO DE BANCOS BRASILEIROS S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT FOR THE PERIODS

R\$ million

	4Q01	3Q01	4Q00	2001	2000
Revenue from financial intermediation	1,808	3,405	1,951	10,175	6,718
Lending operations	1,531	1,978	1,243	6,655	4,381
Leasing operations	25	37	52	170	158
Marketable securities	191	1,343	624	3,111	2,085
Foreign Exchange transactions	22	30	22	117	57
Compulsory deposits	39	17	10	122	37
Expenses on financial intermediation	(751)	(2,365)	(1,301)	(6,439)	(4,076)
Deposits and securities sold	(189)	(1,744)	(771)	(4,076)	(2,245)
Borrowings and onlendings	(73)	(275)	(165)	(713)	(589)
Provision for lending, leasing and other credit losses	(489)	(346)	(365)	(1,650)	(1,242)
Gross profit from financial intermediation	1,057	1,040	650	3,736	2,642
Other operating income (expenses)	(825)	(621)	(527)	(2,502)	(1,879)
Services rendered	588	560	470	2,185	1,640
Insurance, capitalization and retirement plans premiums	455	454	372	1,766	1,389
Changes in technical provisions for insurance, capitalization and retirement plans ⁽¹⁾	(154)	(150)	(130)	(531)	(482)
Insurance claims	(153)	(159)	(123)	(591)	(447)
Private retirement plans benefits expenses ⁽¹⁾	(94)	(83)	(60)	(370)	(271)
Selling, other insurance and private retirement plans expenses	(37)	(37)	(26)	(145)	(101)
Credit card selling expenses	(49)	(45)	(38)	(173)	(140)
Salaries, benefits, training and social security	(393)	(438)	(346)	(1,603)	(1,165)
Other administrative expenses	(617)	(633)	(547)	(2,360)	(1,837)
Financial transaction and other taxes	(170)	(158)	(132)	(585)	(496)
Equity in the results of associated companies	1	1	1	8	3
Other operating income	(135)	232	149	401	398
Other operating expenses	(67)	(165)	(117)	(504)	(370)
Operating income	232	419	123	1,234	763
Non-operating income (expenses), net	(7)	(6)	183	27	406
Income before taxes and profit sharing	225	413	306	1,261	1,169
Income tax and social contribution	87	(33)	(60)	(12)	(224)
Current	(53)	(34)	(57)	(255)	(245)
Deferred	140	1	(3)	243	21
Profit sharing	(45)	(45)	(43)	(170)	(127)
Management	(2)	(3)	(2)	(9)	(6)
Employees	(43)	(42)	(41)	(161)	(121)
Net income before minority interest	267	335	203	1,079	818
Minority interest	(26)	(35)	(20)	(107)	(79)
Net Income	241	300	183	972	739

(1) Reclassification of 3Q01 for a better comparison to 4Q01 amounting to R\$16 million.

Unibanco Holdings S.A.

*Individual and Consolidated
Financial Statement for the Year Ended
December 31, 2000 and
Independent Auditors' Report*

(Convenience translation into English from the original previously issued in Portuguese)

**UNIBANCO HOLDINGS S.A. AND
UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES**

ANNUAL MANAGEMENT REPORT - 2001

Dear Stockholders,

The Administrative Council and the Board of Directors submit for your appreciation their Management Report and Consolidated Financial Statements, as well as the Report of Independent Accountants, for the year ended December 31, 2001.

Since of Unibanco Holdings S.A. equity is substantially invested in Unibanco – União de Bancos Brasileiros S.A., its operating performance and income reflect such investment. Information about Unibanco's performance in year of 2001 is described in its Management Reporter and Financial Statements.

Earnings and stockholders' equity

Net income of Unibanco Holdings S.A. for year of 2001 reached R\$574 million. Net income per 1,000 shares was R\$6.83, considering the average outstanding shares in the year. The annualized return on average stockholders was 16.5%. The stockholders' equity reached R\$3,658 million and the book value per 1,000 shares was R\$43.85.

Dividends

During 2001, Unibanco Holdings was proposed the distribution of dividends in the total amount of R\$187.7 million, being R\$88,1 millions in the first semester and R\$99.6 in the second semester. The table, as follow, shows the dividends proposed per 1,000 shares:

	HOL-ON	HOL-PNA	HOL-PNB	UNITS
	UBHD3	UBHD5	UBHD6	UBBR11
First semester	1.0426	1.1469	1.0426	2.1831
Second semester	1.1893	1.3082	1.1893	2.4874
Total	2.2319	2.4551	2.2319	4.6705

* amount in reais. rounded by the fourth decimal place

Final considerations

The results 2001 year were attained mainly thanks to our shareholders' confidence in management. and we accordingly extend our sincere gratitude to them.

São Paulo. February 2002.

**The Board of Directors
The Administrative Council**

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITORS' REPORT

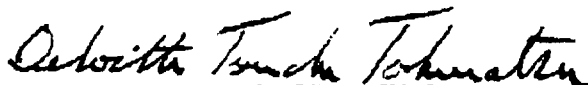
To the Stockholders and Board of Directors of
Unibanco Holdings S.A.
São Paulo - SP

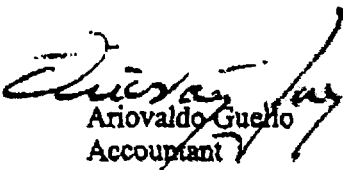
1. We have audited the balance sheets (Parent Company and Consolidated) of Unibanco Holdings S.A. and its subsidiaries as of December 31, 2001, and the related statements of income, changes in stockholders' equity (Parent Company), and changes in financial position for the six-month period and for the year then ended (all expressed in Brazilian reais). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.
2. We conducted our audits in accordance with auditing standards generally accepted in Brazil which included: (a) planning of the engagement, considering the materiality of the balances, the volume of transactions and the accounting and internal control system of the Company and its subsidiaries; (b) examination, on a test basis, of the evidence and records supporting the amounts and disclosures in the financial statements; and (c) assessment of the accounting principles used and significant estimates adopted by management of the Company and its subsidiaries, as well as the evaluation of the overall financial statement presentation.
3. The financial statements of the same consolidated subsidiaries for which the investment balances on the individual balance sheet of the respective parent company was approximately R\$ 2,000,000 thousand and the equity in result was R\$ 400,000 thousand, for the six-month period and for the year ended December 31, 2001, were audited by other independent auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts derived from these subsidiaries, is based solely on the reports of the other independent auditors.
4. In our opinion, based on our audits and the report of other independent auditors, the financial statements referred in Paragraph 1 present fairly, in all material respects, the financial position (Parent Company and Consolidated) of Unibanco Holdings S.A. and its subsidiaries as of December 31, 2001, and the results of their operations, changes in stockholders' equity (Parent Company) and changes in their financial position for the six-month period and for the year then ended, in conformity with accounting practices established by Brazilian Corporate Law and the Central Company of Brazil.



5. Additionally, we have audited the statement of cash flows (Parent Company and Consolidated) for the year ended December 31, 2001, presented in Note 20, applying the procedures described in Paragraph 2. This statement, not required by Brazilian Corporate Law, is designed to provide additional information. In our opinion, this statement presents fairly, in all material respects, the cash flows (Parent Company and Consolidated) of Unibanco Holdings S.A. and its subsidiaries for the year ended December 31, 2001, in conformity with Brazilian Accounting Practices.
6. The financial statements for the year ended December 31, 2000, presented for comparison purposes, were audited by other independent auditors whose report, dated February 13, 2001, expressed an unqualified opinion.
7. These financial statements have been translated into English solely for the convenience of the readers.

São Paulo, February 15, 2002


DELOITTE TOUCHE TOHMATSU
Independent Auditors
CRC No. 2 SP 011,609/O-8


Arioaldo Guello
Accountant
CRC No. 1 SP 070,483/O-4

(Convenience translation into English from the original previously issued in Portuguese)

**UNIBANCO HOLDINGS S.A. AND
UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES**

BALANCE SHEETS AT DECEMBER 31, 2001 AND 2000
Amounts expressed in thousands of Reais

ASSETS	Parent Company		Consolidated	
	2001	2000	2001	2000
CURRENT ASSETS	109.332	85.673	37.214.809	37.596.063
Cash and due from banks	9	1	993.240	528.392
Short-term interbank investments	-	-	4.673.057	7.047.203
Marketable securities	9.115	6.589	10.129.340	10.188.016
Interbank accounts	-	-	1.545.152	1.439.413
Interdepartmental accounts	-	-	4.527	7.304
Lending operations	-	-	16.658.363	13.152.461
Allowance for lending losses	-	-	(1.195.652)	(1.119.259)
Leasing operations	-	-	483.103	657.481
Allowance for leasing losses	-	-	(39.325)	(70.258)
Other credits	100.208	79.083	3.732.013	5.522.084
Allowance for other credits losses	-	-	(41.153)	(51.666)
Other assets	-	-	272.144	294.892
LONG-TERM ASSETS	1.743	1.495	14.839.905	10.566.945
Interbank investments	-	-	24.701	89.490
Marketable securities	-	-	5.225.498	2.744.404
Interbank accounts	-	-	57.567	35.333
Lending operations	-	-	6.255.874	5.357.858
Allowance for lending losses	-	-	(218.158)	(197.886)
Leasing operations	-	-	289.851	273.465
Allowance for leasing losses	-	-	(33.220)	(37.841)
Other credits	1.743	1.495	3.194.243	2.295.150
Allowance for other credits losses	-	-	(10.987)	(7.382)
Other assets	-	-	54.536	14.354
PERMANENT ASSETS	3.654.588	3.298.551	3.563.946	3.336.837
Investments	3.654.588	3.298.551	1.693.707	1.657.390
Investments in subsidiary and associated companies	3.654.588	3.298.551	50.374	55.644
Goodwill on acquisitions of subsidiaries	-	-	1.491.250	1.475.430
Other investments	-	-	230.874	200.843
Allowance for losses	-	-	(78.791)	(74.527)
Fixed assets	-	-	1.238.528	1.224.334
Leased fixed assets	-	-	2.204	1.101
Deferred charges	-	-	629.507	454.012
TOTAL	3.765.663	3.385.719	55.618.660	51.499.845

(Convenience translation into English from the original previously issued in Portuguese)

**UNIBANCO HOLDINGS S.A. AND
UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES**

BALANCE SHEETS AT DECEMBER 31, 2001 AND 2000

Amounts expressed in thousands of Reais

LIABILITIES AND STOCKHOLDERS' EQUITY	Parent Company		Consolidated	
	2001	2000	2001	2000
CURRENT LIABILITIES	100.229	78.579	36.919.024	36.346.866
Deposits	-	-	13.655.673	11.170.003
Securities sold under repurchase agreements	-	-	8.087.206	10.216.167
Resources from securities issued	-	-	2.386.920	2.694.524
Interbank accounts	-	-	59.477	36.512
Interdepartmental accounts	-	-	258.219	393.732
Local borrowings	517	-	291.711	200.415
Foreign borrowings	-	-	4.524.068	3.993.424
Onlending in Brazil - Governmental Agencies	-	-	1.212.142	915.991
Other liabilities	99.712	78.579	6.443.608	6.726.098
LONG-TERM LIABILITIES	7.568	6.571	11.537.736	8.643.394
Deposits	-	-	5.267.017	2.180.362
Resources from securities issued	-	-	910.154	1.733.892
Interbank accounts	-	-	-	9.777
Local borrowings	-	-	1.254	5.536
Foreign borrowings	-	-	498.492	645.003
Onlending in Brazil - Governmental Agencies	-	-	3.223.562	2.402.590
Other liabilities	7.568	6.571	1.637.257	1.666.234
DEFERRED INCOME	-	-	52.618	74.586
MINORITY INTEREST	-	-	3.451.416	3.134.430
STOCKHOLDERS' EQUITY	3.657.866	3.300.569	3.657.866	3.300.569
Capital	1.863.450	1.832.256	1.863.450	1.832.256
Capital reserves	413.537	413.425	413.537	413.425
Revaluation reserve on subsidiaries	3.083	798	3.083	798
Revenue reserves	1.417.553	1.054.090	1.417.553	1.054.090
Treasury stocks	(39.757)	-	(39.757)	-
Retained earnings	-	-	-	-
STOCKHOLDERS' EQUITY MANAGED BY PARENT CO	-	-	7.109.282	6.434.999
TOTAL	3.765.663	3.385.719	55.618.660	51.499.845

The accompanying notes are an integral part of these financial statements.

(Convenience translation into English from the original previously issued in Portuguese)

**UNIBANCO HOLDINGS S.A. AND
UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES**

STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Amounts expressed in thousands of Reals

	Parent Company		Consolidated	
	2001	2000	2001	2000
REVENUE FROM FINANCIAL INTERMEDIATION	-	-	10.175.227	6.717.616
Lending operations	-	-	6.655.057	4.381.131
Leasing operations	-	-	169.527	158.092
Marketable securities	-	-	3.111.434	2.084.916
Foreign exchange transactions	-	-	117.339	56.403
Compulsory deposits	-	-	121.870	37.074
EXPENSES ON FINANCIAL INTERMEDIATION	-	-	(6.437.718)	(4.075.647)
Deposits and securities sold	-	-	(4.074.657)	(2.245.107)
Borrowings and onlendings	-	-	(713.334)	(588.898)
Provision for lending, leasing and other credits losses	-	-	(1.649.727)	(1.241.642)
GROSS PROFIT FROM FINANCIAL INTERMEDIATION	-	-	3.737.509	2.641.969
OTHER OPERATING INCOME (EXPENSES)	573.265	434.009	(2.515.379)	(1.887.331)
Services rendered	-	-	2.184.945	1.639.800
Insurance, capitalization and retirement plans premiums	-	-	1.765.984	1.388.945
Changes in technical provisions for insurance, capitalization and retirement plans	-	-	(530.445)	(482.389)
Insurance claims	-	-	(591.318)	(447.190)
Private retirement plans benefits expenses	-	-	(370.166)	(270.843)
Selling, other insurance and private retirement plans expenses	-	-	(144.859)	(100.821)
Credit card selling expenses	-	-	(172.709)	(140.163)
Salaries, benefits, training and social security	(149)	(42)	(1.603.572)	(1.164.626)
Other administrative expenses	(364)	(240)	(2.360.813)	(1.837.381)
Financial transaction and other taxes	(1.200)	(3.983)	(586.323)	(499.962)
Equity in results of subsidiary and associated companies	573.732	437.840	7.575	3.696
Other operating income	1.288	468	401.431	399.092
Other operating expenses	(42)	(34)	(515.109)	(375.489)
OPERATING INCOME	573.265	434.009	1.222.130	754.638
NON-OPERATING INCOME, NET	-	-	27.428	405.803
INCOME BEFORE TAXES AND PROFIT SHARING	573.265	434.009	1.249.558	1.160.441
INCOME TAX AND SOCIAL CONTRIBUTION	238	(103)	(11.426)	(224.530)
Current	-	(1.598)	(254.560)	(245.037)
Deferred	238	1.495	243.134	20.507
PROFIT SHARING	-	-	(170.215)	(127.101)
Administrators	-	-	(9.256)	(127.101)
Employees	-	-	(160.959)	-
NET INCOME BEFORE MINORITY INTEREST	573.503	433.906	1.067.917	808.810
MINORITY INTEREST	-	-	(494.414)	(374.904)
NET INCOME	573.503	433.906	573.503	433.906
NET INCOME MANAGED BY PARENT COMPANY	-	-	1.067.917	808.810
Number of outstanding shares (Note 15a)	83.408.329.047	84.097.812.912		
Adjusted income per 1,000 shares (Note 15e): R\$	6,83	5,89		
Net equity per 1,000 shares: R\$	43,85	39,25		

The accompanying notes are an integral part of these financial statements.

(Convenience translation into English from the original previously issued in Portuguese)

UNIBANCO HOLDINGS S.A.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000
Amounts expressed in thousands of Reais

	Capital	Capital reserve	Revaluation reserve on subsidiary	Revenue reserves				Treasury stocks	Retained earnings	Total
				Legal	Unrealized profits	Special dividends reserve				
AT JANUARY 1, 2000	1.426.229	184.201	798	54.608	697.431	36.603		-	-	2.399.870
Prior year adjustments	-	-	-	-	-	-		-	(9.780)	(9.780)
Capital increase	406.027	-	-	-	-	-		-	-	406.027
Goodwill on shares subscription	-	229.224	-	-	-	-		-	-	229.224
Net income for the year	-	-	-	-	-	-		-	-	433.906
Constitution of reserves	-	-	-	21.696	243.752	-		-	433.906	433.906
Interest on own capital	-	-	-	-	-	-		-	(265.448)	-
Dividends proposed	-	-	-	-	-	-		-	(81.855)	(81.855)
								-	(76.823)	(76.823)
AT DECEMBER 31, 2000	1.832.256	413.425	798	76.304	941.183	36.603		-	-	3.300.569
Capital increase (Note 15a)	31.194	-	-	-	-	-		-	-	31.194
Prior year adjustments	-	-	-	-	-	-		-	(2.498)	(2.498)
Realization of revaluation reserve of assets in subsidiary companies	-	-	(203)	-	-	-		-	-	(203)
Constitution of revaluation reserve from subsidiary companies	-	-	2.488	-	-	-		-	-	2.488
Acquisition of own stocks	-	-	-	-	-	-		(59.563)	-	(59.563)
Cancellation of treasury stocks (note 15a)	-	-	-	-	(19.806)	-		19.806	-	-
Restatement of exchange membership certificates	-	112	-	-	-	-		-	-	112
Net income for the year	-	-	-	-	-	-		-	573.503	573.503
Constitution of reserves	-	-	-	28.675	354.594	-		-	(383.269)	-
Dividends proposed	-	-	-	-	-	-		-	(187.736)	(187.736)
AT DECEMBER 31, 2001	1.863.450	413.537	3.083	104.979	1.275.971	36.603		(39.757)	-	3.657.866

The accompanying notes are an integral part of these financial statements.

(Convenience translation into English from the original previously issued in Portuguese)

UNIBANCO HOLDINGS S.A. AND

UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN FINANCIAL POSITION FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Amounts expressed in thousands of Reals

	Parent Company		Consolidated	
	2001	2000	2001	2000
FINANCIAL RESOURCES WERE PROVIDED BY:				
OPERATIONS	(229)	(3.934)	958.051	768.133
Net income for the year	573.503	433.906	573.503	433.906
Expenses (income) not affecting working capital				
Equity in the results of subsidiary and associated companies	(573.732)	(437.840)	(7.575)	(3.696)
Provision for losses on investments	-	-	4.238	21.878
Amortization of goodwill on acquisitions of subsidiaries	-	-	75.751	8.098
Depreciation and amortization	-	-	312.134	307.947
STOCKHOLDERS	31.194	635.251	31.194	635.251
Capital and reserve increase	31.194	635.251	31.194	635.251
THIRD PARTIES	188.981	173.361	3.213.900	2.818.381
Increase in long-term liabilities	997	6.571	2.894.342	1.808.639
Dividends and interest on own capital received	187.984	166.790	2.500	-
Changes in deferred income	-	-	-	35.360
Changes in minority interests	-	-	317.058	974.382
SALE OF ASSETS AND INVESTMENTS	-	-	125.855	130.878
Investments	-	-	32.702	97.888
Fixed assets	-	-	93.153	32.990
TOTAL FUNDS OBTAINED	219.946	804.678	4.329.000	4.352.643
FINANCIAL RESOURCES WERE USED FOR:				
Change in deferred income	-	-	13.017	-
Permanent assets	29.953	635.251	749.136	2.135.889
Investments	29.953	635.251	52.535	34.681
Fixed and leased assets	-	-	272.472	395.292
Goodwill to be amortized on acquisitions of subsidiaries	-	-	100.522	1.483.528
Deferred charges	-	-	323.607	222.388
Long-term receivables	248	1.495	4.272.960	4.121.211
Adjustment in stockholders' equity	-	2.687	-	2.687
Acquisition of own stocks	-	-	59.563	-
Dividends distributed/proposed	187.736	158.678	187.736	158.678
TOTAL FUNDS USED	217.937	798.111	5.282.412	6.418.465
INCREASE (DECREASE) IN WORKING CAPITAL	2.009	6.567	(953.412)	(2.065.822)
CHANGES IN WORKING CAPITAL				
Current assets	23.659	11.926	(381.254)	9.665.358
At the end of the year	109.332	85.673	37.214.809	37.596.063
At the beginning of the year	85.673	73.747	37.596.063	27.930.705
Current liabilities	21.650	5.359	572.158	11.731.180
At the end of the year	100.229	78.579	36.919.024	36.346.866
At the beginning of the year	78.579	73.220	36.346.866	24.615.686
INCREASE (DECREASE) IN WORKING CAPITAL	2.009	6.567	(953.412)	(2.065.822)

The accompanying notes are an integral part of these financial statements.

**UNIBANCO HOLDINGS S.A. AND
UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts expressed in thousands of Brazilian reais unless otherwise indicated)

1. Operations

Unibanco Holdings S.A. ("Unibanco Holdings") was formed to invest in Unibanco – União de Bancos Brasileiros S.A. ("Unibanco").

The consolidated operations of Unibanco Holdings S.A. and its direct, indirect and jointly controlled subsidiary companies, in Brazil and abroad, are mainly carried out in the financial markets within the context of the Unibanco Financial Conglomerate, but include other activities carried out by group companies principally related to insurance services, credit card operations, capitalization plans, private retirement plans and asset management.

During 2000, the Unibanco Conglomerate expanded its financial, insurance and credit card activities through the following acquisitions:

- 100% of Banco Credibanco S.A. (Credibanco) and its subsidiary companies in April;
- 100% of Banco Bandeirantes S.A. (Bandeirantes) and its subsidiary companies in December; and
- the remaining 50% of Banco Fininvest S.A. (Fininvest) and its subsidiary companies in December.

The consolidated financial statements for 2001 as mentioned in Note 3, comprise those of acquired companies operations, and for 2000 comprise the operations of acquired companies proportionally.

In 2001, the Unibanco Conglomerate increased its consumer credit operations through the following strategic associations:

- with Magazine Luiza S.A. (Magazine Luiza), a traditional department store chain, through a creation of a new credit, financing and investment company with 50% participation of Fininvest S.A., in September; and
- with Globex Utilidades S.A. (Globex), controlling company of Ponto Frio retail chain acquiring 50% of

Banco Investcred S.A. (Investcred) and its subsidiary companies in October.

The consolidated financial statements mentioned in Note 3 comprise the operations of acquired companies since the acquisition date.

2. Presentation of the Financial Statements

The financial statements of Unibanco Holdings S.A. ("Parent Company") are presented together with the consolidated financial statements of Unibanco Holdings S.A. and its subsidiaries ("Consolidated"), and have been prepared in accordance with accounting principles established by Brazilian Corporate Law.

3. Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with consolidation principles determined by the Brazilian Securities and Exchange Commission (CVM). Intercompany investments, balances, income and expenses, as well as unrealized results, were eliminated upon consolidation.

The consolidated financial statements comprise the accounts of Unibanco Holdings S.A. and its subsidiary company (Unibanco – União de Bancos Brasileiros S.A., its branches abroad, its direct and indirect subsidiaries and its jointly controlled companies subsidiaries, as listed in Note 8).

The financial statements of the subsidiaries Unibanco Leasing S.A. - Arrendamento Mercantil and Dibens Leasing S.A. – Arrendamento Mercantil were reclassified by means of out-of-book adjustments, in order to reflect their financial position and results of operations in the consolidation in accordance with the financial method of accounting for leasing transactions.

In conformity with CVM Instruction 247/96, assets, liabilities, revenues and expenses of jointly controlled companies have been included in the consolidated financial statements on a proportional basis.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

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The main balances ⁽¹⁾ included in the consolidation related to jointly controlled companies are summarized as follows:

Balance Sheet	2001 ⁽²⁾	2000		2001 ⁽²⁾	2000
Assets			Liabilities		
Cash and due from banks	55,561	31,224	Deposits	321,431	35,783
Interbank investments	26,348	3,805	Securities sold under repurchase agreements	1,351	4,533
Marketable securities	209,099	206,811	Resources from securities issued	23,630	19,182
Lending operations	1,176,734	804,872	Borrowings	143,393	200,000
Other credits	466,617	412,167	Other liabilities	1,307,156	1,144,321
Other assets	4,849	2,788			
Permanent assets	104,640	83,102			
Total assets	2,043,848	1,544,769	Total liabilities	1,796,961	1,403,819
			Consolidated net asset	246,887	140,950

Statement of income - For the years ended December 31,	2001 ^{(2) (3)}	2000 ^{(3) (4)}
Revenue from financial intermediation	595,463	817,878
Expenses on financial intermediation	(239,372)	(381,746)
Salaries, benefits, training and social security	(129,071)	(164,454)
Other administrative expenses	(283,689)	(287,424)
Other operating income, net	336,926	251,982
Non-operating income (expenses), net	(13,102)	(2,015)
Income tax and social contribution	(85,968)	(85,013)
Profit sharing	(10,405)	(14,957)
Net income	170,782	134,251

⁽¹⁾ Without elimination between intercompany balances from Unibanco Conglomerate.

⁽²⁾ Includes the participation in Investcred and its subsidiary companies and the participation in FMX S.A. Sociedade de Crédito, Financiamento e Investimento (the operating company resulting from the strategic association with Magazine Luiza), since the acquisition date.

⁽³⁾ Credicard S.A. - Administradora de Cartões de Crédito is consolidated in the statements of income, using a different percentage according to the performance of each stockholder, under the terms of an operational agreement.

⁽⁴⁾ Includes the proportional results of Fininvest and its subsidiary companies up to November 2000.

4. Summary of Significant Accounting Policies

The accounting policies adopted by Unibanco Holdings S.A. and its subsidiary companies are in accordance with the requirements of Brazilian Corporate Law and the regulations of the Brazilian Central Bank, the Brazilian Securities Commission and the Superintendency of Private Insurances.

(a) Determination of net income

Net income is determined on the accrual basis and considers:

- income, expenses and monetary or exchange rate variations, at official rates or indices pro rata temporis, on current and long-term assets and liabilities;
- the effects of the provisions to adjust the assets to market or realizable values;
- the provision for the PIS (Employee's Profit Participation Program) at a rate of 0.65% and COFINS (Tax for Social Security Financing) at a rate of 3%;

- the adjustments to the insurance, capitalization and retirement plans technical reserves;
- the effects of the adjustment of investments in subsidiary and associated companies to reflect the equity method of accounting;
- the provision for federal income tax at the rate of 15% on taxable income, plus a specific surcharge of 10% on taxable income over established fiscal limits;
- the provision for social contribution calculated at the rate of 12% in January 2000 and 9% from February 2000 on the adjusted income before income tax;
- tax credits calculated on temporary differences between book value and tax amounts and on tax losses; and
- profit sharing.

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(b) Current and long-term assets

These assets are stated at cost plus, when applicable, the related income and monetary and exchange rate variations, and decreased by the related unearned income and/or allowances for losses. The allowance for lending, leasing and other credits losses is set up in an amount considered sufficient by management to cover possible future losses. Management's analysis to establish the provision required takes into account the economic environment, past experience and specific and general portfolio risks, as well as the regulations of the Brazilian Central Bank.

(c) Permanent assets

Investments, fixed assets and deferred charges are stated at cost plus restatement through December 31, 1995.

Investments in subsidiary and associated companies are accounted for using the equity method of accounting, as shown in Note 8. Other investments consist principally of investments carried at cost and membership certificates of stock and commodities exchange adjusted to book equity values.

Goodwill relating to the acquisition of subsidiaries is being amortized up to 10 years, according to the expected period of benefit.

Depreciation of fixed assets is calculated on the straight-line method at the following annual rates: buildings in use - 4%; equipment in use - 10%; communication, data processing, and transportation systems - 20%.

Deferred charges, composed substantially of leasehold improvements and software acquisition and development, are amortized over the term of the respective lease contracts or up to five years.

(d) Current and long-term liabilities

These amounts include, when applicable, accrued interest and monetary and exchange rate variations.

(e) Deferred income

Deferred income includes prepaid non-returnable revenues.

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5. Marketable Securities

	Consolidated								
								2001	2000
	No stated Maturity	Up to 3 months	3 months to 1 year	1-3 years	3-5 years	5-15 years	Over 15 years	Total	Total
Own portfolio	2,252,542	314,533	440,884	1,681,065	1,202,743	1,019,185	78,122	6,989,076	6,254,591
Federal government securities	-	55,970	102,295	862,034	382,526	45,331	73,341	1,521,497	2,541,497
Corporate debt securities	28,268	190,382	283,183	791,303	731,245	891,541	-	2,915,922	1,470,547
Bank debt securities	685	59,234	43,877	10,465	53,344	31,956	-	199,561	227,026
Brazilian sovereign bonds	-	610	10,476	16,736	25,915	49,439	4,601	107,777	28,662
Securities of foreign governments	-	8,337	1,053	527	9,713	918	180	20,728	7,944
State and municipal securities	11,792	-	-	-	-	-	-	11,792	11,792
Mutual funds	2,047,235	-	-	-	-	-	-	2,047,235	1,794,480
Marketable equity securities	164,564	-	-	-	-	-	-	164,564	172,643
Subject to repurchase commitments	-	5,904,042	423,800	-	-	-	-	6,327,842	5,966,028
Federal government securities	-	5,660,073	-	-	-	-	-	5,660,073	5,315,850
Securities of foreign governments	-	65	-	-	-	-	-	65	4,085
Corporate debt securities	-	9,735	297,619	-	-	-	-	307,354	389,046
Bank debt securities	-	21,368	83,559	-	-	-	-	104,927	165,928
Brazilian sovereign bonds	-	212,801	42,622	-	-	-	-	255,423	91,119
Subject to negotiation and intermediation of securities	-	-	-	-	-	-	-	-	1,041
Option premiums	-	-	-	-	-	-	-	-	1,041
Linked to Brazilian Central Bank	-	76,045	683,974	560,004	10	-	-	1,320,033	25,282
Federal government securities	-	76,045	683,974	560,004	10	-	-	1,320,033	25,282
Certificates of privatization	180	-	-	-	-	-	-	180	156
Linked to guarantees rendered	-	29,946	65,227	751,398	-	-	-	846,571	764,658
Federal government securities	-	29,946	65,227	751,398	-	-	-	846,571	695,469
Corporate debt securities	-	-	-	-	-	-	-	-	69,189
Subtotal	2,252,724	6,324,566	1,613,885	2,992,467	1,202,753	1,019,185	78,122	15,483,702	13,011,756
Allowance for losses	(33,305)	(9,433)	(7,183)	(49,438)	(2,932)	(26,573)	-	(128,864)	(79,336)
Total	2,219,419	6,315,133	1,606,702	2,943,029	1,199,821	992,612	78,122	15,354,838	12,932,420

The maturities of securities subject to repurchase commitments follow the contractual maturities of repurchase agreements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts expressed in thousands of Brazilian reais unless otherwise indicated)

6. Lending and Leasing Operations Portfolio and Allowance for Lending, Leasing and Other Credits Losses

(a) Components of the lending and leasing operations portfolio by type and by maturity:

	2001	Consolidated 2000
By type		
Discounted loans and notes	10,950,867	8,741,839
Financing	7,703,696	6,178,837
Agricultural	833,042	733,701
Real estate loans	478,912	488,854
Credit card	2,947,720	2,367,088
Total lending operations	22,914,237	18,510,319
Leasing operations	772,954	930,946
Advances on exchange contracts (1)	1,375,737	1,817,448
Total lending operations, leasing and advances on exchange contracts	2,148,691	2,748,394
Guarantees honored	590	108
Other receivables (2)	294,907	355,741
Total other credits	295,497	355,849
Assignment of loans with co-obligation (3)	139,789	219,999
Co-obligation on credit card customer financing (3)	328,477	313,304
Total risk (4)	25,826,691	22,147,865
By maturity		
Past-due for more than 14 days (Note 6d)	1,735,196	1,313,078
Falling due:		
Less than 3 months (5)	10,847,782	10,016,623
Between 3 months and 1 year	6,659,550	5,156,714
Between 1 and 3 years	3,908,280	3,713,544
More than 3 years	2,675,883	1,947,906
Total risk	25,826,691	22,147,865

(1) Recorded in "Other liabilities" and "Other credits" - "Foreign exchange portfolio".

(2) Other receivables consist of receivables from sale of assets and notes and credits receivable.

(3) Recorded as off-balance sheet items.

(4) The total risk does not include guarantees in the amount of R\$4,002,141 (2000 - R\$3,573,869) in Consolidated, that are recorded as off-balance sheet items, from which management does not expect losses.

(5) Includes 14 days past-due amounts.

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(b) Components of lending, leasing and other credits by business activity:

	2001		Consolidated 2000	
	Value	% of distribution	Value	% of distribution
Manufacturing				
Electricity, gas and water	1,219,504	4.7	682,060	3.1
Chemical and pharmaceutical	981,315	3.8	867,743	3.9
Food, beverages and tobacco	969,493	3.8	914,001	4.1
Paper, paper products, printing and publishing	909,815	3.5	543,868	2.5
Basic metal industries	862,085	3.3	587,024	2.7
Automobile industry	668,957	2.6	934,299	4.2
Petrochemical	532,301	2.1	158,762	0.7
Production of machines and equipment	408,538	1.6	300,083	1.4
Non-metallic minerals	365,076	1.4	118,650	0.5
Textiles, clothing and leather goods	329,049	1.3	399,921	1.8
Extractive	286,629	1.1	109,835	0.5
Electronic and communications equipment	285,268	1.1	301,470	1.4
Wood and wood products, including furniture	270,725	1.0	230,816	1.0
Electric and electronic	230,698	0.9	291,574	1.3
Production of metal goods	181,444	0.7	340,337	1.5
Rubber and plastic	168,500	0.7	133,375	0.6
Other manufacturing industries	12,321	-	14,731	0.1
Subtotal	8,681,718	33.6	6,928,549	31.3
Individual				
Consumer loans	4,911,740	19.0	3,421,746	15.4
Credit card	3,415,985	13.2	2,900,391	13.1
Residential mortgage loans	423,684	1.6	416,987	1.9
Lease financing	244,262	0.9	458,469	2.1
Subtotal	8,995,671	34.7	7,197,593	32.5
Residential construction loans	71,152	0.3	90,084	0.4
Trade				
Retail	1,973,146	7.6	1,546,115	7.0
Wholesale	856,865	3.3	787,212	3.6
Lodging and catering services	96,946	0.4	98,133	0.4
Subtotal	2,926,957	11.3	2,431,460	11.0
Financial service				
Financial companies	308,974	1.2	308,761	1.4
Insurance companies and private pension funds	171,414	0.7	128,132	0.6
Subtotal	480,388	1.9	436,893	2.0
Other service				
Transportation	741,905	2.9	577,466	2.6
Post office and telecommunications	503,143	1.9	747,311	3.4
Real estate services	501,409	1.9	485,513	2.2
Construction	353,786	1.4	294,372	1.3
Associative activities	260,624	1.0	275,758	1.2
Health and social services	161,404	0.6	182,163	0.8
Education	110,881	0.4	99,631	0.4
Leisure	49,112	0.2	45,291	0.2
Other	1,155,499	4.7	1,622,080	7.4
Subtotal	3,837,763	15.0	4,329,585	19.5
Agriculture, livestock, forestry and fishing	833,042	3.2	733,701	3.3
Total	25,826,691	100.0	22,147,865	100.0

The value of operations and percentage of distribution as of December 31, 2000, in Consolidated were rearranged for better comparison with December 31, 2001.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

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(c) Concentration of lending, leasing and other credits:

Largest clients	Consolidated	
	Value	% of the total
10 largest clients	2,083,761	8.1
50 following clients	4,699,694	18.2
100 following clients	2,863,129	11.1
Other clients	16,180,107	62.6
Total	25,826,691	100.0

(d) Components of lending, leasing and other credits by risk level, as established in Resolution 2682 of the Brazilian National Monetary Council:

Risk level	Number of days in arrears of the overdue installments	Consolidated				Distribution %
		Current credits (I)	Past-due credits		Total credits	
			Overdue installments	Falling due installments		
AA	-	10,669,027	-	-	10,669,027	41.3
A	-	7,392,216	-	-	7,392,216	28.6
B	from 15 to 30	2,122,199	274,078	121,507	2,517,784	9.8
C	from 31 to 60	2,375,179	393,864	257,298	3,026,341	11.7
D	from 61 to 90	297,366	203,415	101,809	602,590	2.3
E	from 91 to 120	89,883	183,261	60,613	333,757	1.3
F	from 121 to 150	72,757	153,419	51,969	278,145	1.1
G	from 151 to 180	125,954	146,595	37,524	310,073	1.2
H	more than 180	173,181	380,564	143,013	696,758	2.7
	Total	23,317,762	1,735,196	773,733	25,826,691	100.0

Risk level	Number of days in arrears of the overdue installments	Consolidated				Distribution %
		Current credits (1)	Past -due credits		Total credits	
			Overdue installments	Falling due installments		
AA	-	9,036,324	-	-	9,036,324	40.8
A	-	6,616,486	-	-	6,616,486	29.9
B	from 15 to 30	1,656,276	270,574	249,452	2,176,302	9.8
C	from 31 to 60	1,685,702	209,348	383,010	2,278,060	10.3
D	from 61 to 90	267,563	135,551	130,961	534,075	2.4
E	from 91 to 120	33,090	130,297	77,545	240,932	1.1
F	from 121 to 150	70,461	111,210	65,886	247,557	1.1
G	from 151 to 180	95,218	100,198	60,764	256,180	1.2
H	more than 180	124,815	355,900	281,234	761,949	3.4
	Total	19,585,935	1,313,078	1,248,852	22,147,865	100.0

(I) Includes 14 days past due amounts.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

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(e) Allowance for lending, leasing and other credits losses by risk level:

Risk Level	Number of days overdue	% minimum allowance required	Consolidated					
			2001			2000		
			Total credits	Total allowance	% effective allowance	Total credits	Total allowance	% effective allowance
AA		-	10,669,027	-	-	9,036,324	-	-
A		0.5	7,392,216	48,699	0.7	6,616,486	47,514	0.7
B	from 15 to 30	1.0	2,517,784	27,495	1.1	2,176,302	25,849	1.2
C	from 31 to 60	3.0	3,026,341	121,995	4.0	2,278,060	93,954	4.1
D	from 61 to 90	10.0	602,590	111,303	18.5	534,075	102,276	19.2
E	from 91 to 120	30.0	333,757	131,025	39.3	240,932	97,815	40.6
F	from 121 to 150	50.0	278,145	162,450	58.4	247,557	151,247	61.1
G	from 151 to 180	70.0	310,073	238,770	77.0	256,180	203,688	79.5
H	more than 180	100.0	696,758	696,758	100.0	761,949	761,949	100.0
Total			25,826,691	1,538,495		22,147,865	1,484,292	
% of total risk				6.0%			6.7%	

The allowance for lending, leasing and other credit losses is recorded in accordance with Resolution 2682 of the Brazilian National Monetary Council. The minimum allowance for each level is utilized as a general rule, however, based on the judgment and experience of management, higher percentages are used within each level in order to more accurately assess the risk of certain clients operations or portfolios.

(f) The operations renegotiated in the period with clients as established in Resolution 2682 of the Brazilian National Monetary Council totaled R\$1,053,787 (2000 - R\$647,449) in Unibanco Consolidated. These operations were recorded in order to keep the risk level assess existing before the renegotiation.

(g) Change in the allowance for loan losses during the period:

	Consolidated	
	2001	2000
Balance, beginning of year	1,484,292	971,619
Balance of acquired companies, merged company	38,399	456,088
Provision for loan losses	1,649,727	1,241,642
Prior year adjustments of subsidiary	-	35,151
Loan charge-offs	(1,633,923)	(1,220,208)
Balance, end of year	1,538,495	1,484,292
Loan recoveries (1)	440,452	382,610

(1) Loan recoveries were recorded as revenue from "Lending operations" and "Leasing operations".

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

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7. Other Credits

	2001		Consolidated 2000	
	Current assets	Long-term receivables	Current assets	Long-term receivables
Receivables on guarantees honored	-	590	-	108
Foreign exchange portfolio	1,792,260	1,534	3,176,394	3,511
Income receivable	73,837	3,230	77,345	231
Negotiation and intermediation of securities	516,821	101,874	336,451	14,148
Specific credits	-	3,819	-	3,691
Sundry	1,349,095	3,083,196	1,931,894	2,273,461
Total	3,732,013	3,194,243	5,522,084	2,295,150

The account "Foreign exchange portfolio" includes R\$1,517,320 (2000 - R\$2,541,035) of unsettled exchange purchases and R\$247,688 (2000 - R\$592,276) of rights on foreign exchange sold net of contracted advances.

"Other credits - negotiation and intermediation of securities" are represented, substantially, by "Swap operations - difference receivable" in the amount of R\$444,743 (2000 - R\$275,715), and "Debtors - pending settlement" in the amount of R\$83,186 (2000 - R\$66,791).

"Other credits - sundry", basically, includes deferred tax in the amount of R\$1,556,307 (2000 - R\$1,371,755); social contribution carry forward related to the option for the article 8th of Provisional Measure 2113-29/2001 in the amount of R\$513,559 (2000 - R\$554,313), judicial deposits for civil and labor matters in the amount of R\$804,533 (2000 - R\$616,546), notes and credits receivables in the amount of R\$211,856 (2000 - R\$269,878). The social contribution carry forward is being offset in accordance with established fiscal parameter.

"Other credits" in the parent company relates, basically, to dividends receivable in the amount of R\$99,659 (2000 - R\$77,038), from Unibanco.

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8. Investments in Subsidiary and Associated Companies

(a) Subsidiary companies (Parent Company)

	2001				2000			
	UNIBANCO - UNIÃO DE BANCOS BRASILEIROS ASSOCIAÇÃO S.A.	CAIXA BRASIL ASSOCIAÇÃO S.A. (3)	OTHER	TOTAL	UNIBANCO - UNIÃO DE BANCOS BRASILEIROS ASSOCIAÇÃO S.A.	CAIXA BRASIL ASSOCIAÇÃO S.A.	TOTAL	
Information on investment at December								
Number of shares held (with no par value)								
Common	72,995,091,491	-	-		72,995,091,491	10,471,843,587		
Preferred	10,413,237,556	-	-		11,102,721,421	-		
Participation in common stock - %	96.594	-	-		96.593	100.00		
Total participation (direct) - % (1)	60.184	-	-		52.467	100.00		
Total participation (direct e indirect) - % (2)	-	-	-		59.929	100.00		
Stockholders' equity	6,072,393	-	-		5,504,098	406,027		
Capital	3,690,602	-	-		3,386,274	303,233		
Net income for the year	971,941	-	-		739,153	-		
Investment value	3,654,588	-	-	3,654,588	2,892,524	406,027	3,298,551	
Equity in results	562,536	10,874	322	573,732	437,840	-	437,840	

(1) The total participation was calculated based on Unibanco's outstanding shares.

(2) Includes the direct and indirect participation of 7.462% owned by Caixa Brasil Associação S.A. The equity was calculated based on the total participation in Unibanco outstanding shares.

(3) The October 31, 2001 Extraordinary Shareholders Meeting approved through the "Merger Enrollment of Notice of Purposes" the merger of Caixa Brasil Associação S.A. into Unibanco Holdings.

(i) On December 27, 2000, the capital of Unibanco was increased in the amount of R\$1,043,771, without Unibanco Holdings S.A. participation and on December 28, 2000, the capital of Unibanco Holdings S.A. was increased (Note 15a) through receiving 100% of shares of Caixa Brasil Associação, which held in its assets exclusively interest of 7.445% in Unibanco. The changes resulted in a direct and indirect interest of Unibanco Holdings S.A. in Unibanco from 59.80% in November 2000 to 59.79% in December 2000.

(ii) During 2001, Unibanco Holdings reduced its interest in Unibanco by 922,147,249 preferred shares through of share exchange of 922,147,249 Class B preferred shares issued by Unibanco Holdings, acquired in the buy-back program by Unibanco (note 15d).

In December 2001, Unibanco Holdings acquired 232,663,384 Unibanco preferred shares by R\$10,470, increasing its participation to 60.184%.

(iii) The amount of dividends received/proposed by Unibanco during 2001 was R\$187,984 and interest on own capital and dividends received/proposed during 2000 was R\$166,790.

(b) Consolidated Companies

The foreign branches and subsidiary companies exchange gains in the amount of R\$281,908 (2000 - R\$141,209) in Consolidated were recognized as "Other operating income". As a result of the high foreign exchange volatility, in 2001, Unibanco partially hedged its foreign investments in U.S. dollars in the amount of US\$430 million. The expense of R\$77,954 in Consolidated was also recorded in "Other operating income", reducing the exchange gain on foreign investments. The investments in subsidiary and associated companies are detailed in this Note and the following events relate to investments in subsidiary and associated companies in the years ended December 31, 2000 and 2001:

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(1) In April 2000, Unibanco concluded the purchase of 100% of the capital of Credibanco and its subsidiaries for R\$108,067, plus R\$62,803 for goodwill, which is being amortized up to five years, using the straight-line method in accordance with the expected period of benefit. During 2001, R\$12,561 (2000 - R\$7,327) was amortized and recorded as "Other operating expenses".

As part of the reorganization process, Unibanco and Credibanco signed an "Agreement of Assignment of Rights and Assumption of Obligations", by which Credibanco transferred to Unibanco R\$495,268 in assets and R\$647,099 in liabilities at face value and the difference was received in cash. Through this agreement, the derivative instrument contracts, guarantees provided to third parties, securities in custody and assets under management were also assigned to Unibanco.

In April 2001, Credibanco merged Cartão Unibanco Ltda.

(2) In September 2000 the joint venture between Unibanco and PT Multimedia.com, controlled by Portugal Telecom (PT) was approved. Through this association, Banco1.net S.A. (Banco1), controlled by Régula Participações S.A. (Régula) was created. In April 2001, Unibanco received from Régula 23,071,433 common shares issued by Banco1 with capital reduction of R\$39,679. After this Unibanco sold 1,295,959 shares to third parties, with a gain of R\$7,178, recorded as "Non-operating income" and Régula merged into Unibanco Representação e Participações Ltda..

(3) In December 2000, the Brazilian government authorities approved the association between Unibanco, Unibanco Holdings, Caixa Geral de Depósitos (CGD) and Bandeirantes. Through this association, Unibanco acquired a 100% stake in Caixa Brasil Participações S.A. (CBP), the controlling company of Bandeirantes, and CGD received directly and indirectly 12.25% of interest in Unibanco and in Holdings. The transaction generated a goodwill of R\$999,653 in Consolidated, which is subject to adjustment based on the agreement between the parties (mainly guarantee of the loan portfolio). The goodwill is being amortized up to 10 years, in accordance with the expected period of benefit, based on an appraisal report issued in the acquisition date. During 2001, R\$61,697 was amortized in Consolidated, recorded as "Other operating expenses".

In 2000 and 2001, there was corporate reorganization processes which involved Bandeirantes Group, with the sale of interest in Bandeirantes S.A. Capitalização, in Trevo Seguradora S.A., in Trevo Banorte Seguradora S.A., in Bandeirantes Administradora de Cartões de Crédito e Assessoria Ltda. and the minority interest in Serasa - Centralização de Serviços dos Bancos S.A. to Unibanco's companies which have the same activity. These reorganization generated a gain of R\$284,567, which was recognized entirely in the seller companies and as a goodwill in the buyer companies and was considered as unrealized gains in Unibanco, when applicable. It is expected the recognition of gain in Unibanco will be made in line with amortization of goodwill.

During 2001, Bandeirantes S.A. Capitalização was merged into Unibanco Companhia de Capitalização and Trevo Seguradora S.A. and Trevo Banorte Seguradora S.A. were merged into Unibanco AIG Seguros S.A.. Unibanco Leasing S.A. - Arrendamento Mercantil was merged into Bandeirantes S.A. - Arrendamento Mercantil, which changed its name to Unibanco Leasing S.A. - Arrendamento Mercantil.

As part of the reorganization process, Unibanco and Bandeirantes signed an "Agreement of Assignment of Rights and Obligations and Other Understanding", by which Bandeirantes transferred to Unibanco assets and liabilities at their face value in accordance with the "Schedule of Migration" of branches, and the difference was received in cash. Up to December 31, 2001, R\$1,598,414 of assets and R\$2,103,367 of liabilities were transferred to Unibanco. Through the "Schedule of Migration" the derivative instrument contracts, guarantees provided to third parties and the securities in custody have also been assigned to Unibanco.

(4) In December 2000, Unibanco acquired from Group Icatú the remaining 49.9% of interest in Fininvest and its subsidiaries for R\$483,107. As a result, Unibanco now owns 99.759% of Fininvest. The operation generated a goodwill of R\$401,196 in Unibanco, which is being amortized up to 10 years, in accordance with the expected period of benefit, based on an appraisal report, issued on the acquisition date. During 2001, R\$17,872 was amortized, and recorded as "Other operating expenses".

(5) In September 2001, Fininvest and Magazine Luiza, a traditional department store chain, established an association through the creation of a new company of credit, financing and investment, through 50% of participation for Fininvest and 50% for Magazine Luiza. The amount of investment in Fininvest was R\$42,530. The operation generated a goodwill of R\$31,842, will be amortized as from 2002, up to 10 years, in accordance with the expected period of benefit.

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(6) In October 2001, Unibanco signed an Association Agreement with Globex, controlling company of Ponto Frio retail chain, whereby Unibanco acquired 50% of interest in Investcred for R\$110,805. The operation generated a goodwill of R\$58,873, which is being amortized up to 10 years, in accordance with the expected period of benefit. During 2001 R\$981 was amortized and recorded as "Other operating expenses".

(7) In December 2001 there was a corporate reorganization of the foreign investments, in which Unibanco had a direct and an indirect participation. Unipart Participações Internacionais Ltd. (Unipart Internacional) was created and capitalized at the book value of investments, transferred by

the former controlling company. The principal companies transferred to Unipart Internacional were:

- 100% of Unibanco Cayman Bank Ltd., subsidiary of Unibanco Participações Internacionais Ltda. (current name of Tahoma Participações Ltda.);
- 75.5% of Unicorp Bank & Trust Ltd.; 99.999% of Unibanco União de Bancos Brasileiros (Luxembourg) S.A. and Interbanco S.A. and 100% of UBB Holding Company, Inc., controlling company of Unibanco Securities Inc., subsidiary companies of Unibanco; and
- 100% of Banco Bandeirantes Grand Cayman Inc., subsidiary company of Bandeirantes.

	Number of shares or quotas		Percentage holding (%)	Adjusted stockholders' equity	Adjusted net income/(loss)
	Common	Preferred	Consolidated		
Subsidiary companies					
Unibanco Representação e Participações Ltda. (Note 8b7)	613,349,683	-	99.854	1,312,060	330,896
Unipart Participações Internacionais Ltd.	1,322,400	-	100.000	1,024,822	42,497
BUS Holdings S.A.	388,680	-	37.987	578,265	30,981
Caixa Brasil Participações S.A.	123,304,050,478	-	100.000	442,838	303,033
Banco Credibanco S.A.	211,861,478	198,846,054	98.883	302,501	82,543
Banco Fininvest S.A. (12)	3,931	1,028	99.799	198,425	50,199
Banco Dibens S.A.	2,992,963,154	-	51.000	142,394	28,052
Unibanco Leasing S.A. - Arrendamento Mercantil (1)	253,368	-	99.999	101,330	(4,497)
Unibanco Corretora de Valores Mobiliários S.A.	30,000,000	30,000,000	100.000	51,899	4,411
Banco1.net S.A. (Note 8b2) and (12)	21,775,476	-	64.690	48,097	(12,595)
Unibanco Securities Ltd. (12)	17,770,000	-	100.000	27,426	(475)
Unibanco Asset Management - Banco de Investimento S.A.	1,468,400	1,160,041	89.500	18,287	30,463
Unibanco Distribuidora de Títulos e Valores Mobiliários Ltda.	1,500,000	-	100.000	9,440	489
Unibanco Companhia Hipotecária	3,999,997	-	99.999	4,585	683
Unibanco Participações Internacionais Ltda. (Note 8b7)	9,117	-	100.000	104	271,648
Main Unibanco Representação e Participações Ltda.'s direct and indirect subsidiary companies					
Unibanco AIG Seguros S.A. (2) and (12)	336,204,312	183,878,703	49.692	1,111,912	139,511
Unibanco Companhia de Capitalização (12)	1,109,167	-	99.968	151,590	53,749
Unibanco AIG Previdência S.A. (3) and (12)	465,403	-	100.000	85,378	23,256
Unibanco AIG Saúde Seguradora S.A. (4) and (12)	20,000,000	-	100.000	22,941	2,912
Unibanco Empreendimentos e Participações Ltda.	195,611,880	-	100.000	193,443	19,187
Unibanco Empreendimentos Ltda.	150,488,716	-	100.000	129,502	(15,881)
BWU Representação e Participação Ltda. (12)	34,455,334	89,583,866	60.000	46,126	(15,962)
Estrel Administração e Corretagem de Seguros Ltda.	33,997	-	99.991	33,541	23,860

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	Number of shares or quotas		Percentage holding (%)	Adjusted stockholders' equity	Adjusted net income/(loss)
	Common	Preferred	Consolidated		
Main Unipart Participações Internacional Ltd's direct and indirect subsidiary companies (Note 8b7)					
Unibanco Cayman Bank Ltd.	13,252,004	-	100.000	560,104	216,250
Unicorp Bank & Trust Ltd. (12)	525,000	3,250,000	75.500	157,645	28,394
Unibanco União de Bancos Brasileiros (Luxemburg) (12)	199,999	-	99.999	126,015	13,938
Banco Bandeirantes Grand Cayman, Inc. (12)	6,000	-	100.000	64,647	(7,744)
Interbanco S.A. (12)	18,999,793	-	99.999	37,852	7,884
UBB Holding Company, Inc (12)	100	-	100.000	4,561	(51)
Caixa Brasil Participações Ltda.'s Direct and indirect subsidiary companies					
Banco Bandeirantes S.A.(11)	78,728,068,140	68,155,559,063	100.000	448,085	215,687
Jointly controlled companies					
Credicard S.A.- Administradora de Cartões de Crédito (12)	12,937,771	-	33.333	293,742	397,670
Serasa – Centralização de Serviços dos Bancos S.A. (5) and (12)	360,890	348,855	19.045	148,099	24,414
Banco Investcred S.A. (Note 8b6) and (12)	95,290	-	50.000	106,016	2,150
Tecnologia Bancária S.A. (5) and (12)	762,277,905	-	21.432	100,322	22,849
Redecard S.A. (12)	199,990	400,000	31.943	62,426	97,523
Cibrasec – Companhia Brasileira de Securitização (12)	7,500	-	12.499	35,388	9,041
Interchange Serviços S.A. (12)	74,999,999,998	-	25.000	26,378	7,258
FMX S.A. Sociedade de Crédito, Financiamento e Investimento (Note 8b5)	35,615	35,615	50.000	21,370	1,103
Unibanco Rodobens Administradora de Consórcios Ltda. (12)	3,298,500	-	50.000	3,006	(2,057)

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(c) Associated companies (consolidated)

	Number of shares or quotas		Percentage holding	Adjusted stockholders'	Adjusted net income/	Equity in results adjustments		Investments value	
	Common	Preferred	(%)	equity	(loss)	2001	2000	2001	2000
Associated companies									
AIG Brasil Companhia de Seguros (12)	54,213,933	-	49,999	71,749	22,444	11,472	1,714	35,874	38,517
Unibanco AIG Warrant Ltda. (6) and (12)	199,999	-	49,999	6,029	5,629	2,815	-	3,015	-
Oceânica Hospital Sistemas de Administração Ltda. (5), (7) and (12)	4,066,799	-	49,999	715	(4,075)	(2,038)	-	357	-
E-Platform Venture Partners Empreendimentos e Participações S.A. (5) and (12)	-	433	10,954	2,333	(80)	(8)	(219)	255	264
American Home do Brasil S.A. (8) and (12)	-	-	-	-	-	-	1,362	-	11,238
AIG Life Companhia de Seguros (9)	-	-	-	-	-	-	157	-	2,348
Unibanco AIG Saúde Sistemas de Administração Ltda. (7)	-	-	-	-	-	(802)	(1,983)	-	2,463
Volkswagen Leasing S.A. – Arrendamento Mercantil (10)	-	-	-	-	-	-	2,665	-	-
Other	-	-	-	-	-	(3,864)	-	10,873	814
Total	-	-	-	-	-	7,575	3,696	50,374	55,644

(1) Adjusted net income for 2001 year includes the net income up to May 2001 of the merged company.

(2) Current denomination of Unibanco Seguros S.A..

(3) Current denomination of Unibanco AIG S.A. - Seguros e Previdência.

(4) Company created in June 2001.

(5) Equity in results adjustments based on the financial statements of November 2001.

(6) Investment acquired in December 2001, by Unibanco Representação e Participação Ltda, being the equity in results adjustments calculated on financial statements of October 2001.

(7) The company was merged into Oceânica Hospital Sistema de Administração Ltda. in July 2001, after a spin-off.

(8) In March 2001, AIG Brasil Companhia de Seguros was merged into American Home do Brasil S.A., which changed its denomination to AIG Brasil Companhia de Seguros.

(9) Company merged into American Home do Brasil S.A..

(10) Company sold in September 2000.

(11) In July 2001, Bandeirantes Corretora de Câmbio e Valores Mobiliários S.A. and Bandeirantes Distribuidora de Títulos e Valores Mobiliários S.A. were merged into Banco Bandeirantes S.A..

(12) Companies audited by other independent auditors.

9. Fixed Assets

	Consolidated	
	2001	2000
Land and building	910,665	900,717
Other fixed assets	1,028,177	1,061,312
Accumulated depreciation	(700,314)	(737,695)
Total, net	1,238,528	1,224,334

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10. Deposits

	2001		Consolidated 2000	
	Current liabilities	Long-term liabilities	Current liabilities	Long-term liabilities
Demand deposits	2,402,937	-	2,391,979	-
Savings deposits	4,733,743	-	3,706,062	-
Interbank deposits	152,114	6,099	198,213	783
Time deposits	6,366,879	5,260,918	4,873,749	2,179,579
Total	13,655,673	5,267,017	11,170,003	2,180,362

11. Resources from Securities Issued

Resources from securities issued are represented by mortgage notes and debentures issued in Brazil and euronotes and commercial papers issued abroad.

(a) Mortgage notes are restated using the savings deposits index, plus average interest of 10.20% per annum, and are payable up to September 12, 2003.

(b) *Euronotes*

Maturity (1)	Currency	Consolidated	
		2001	2000
Less than 3 months	US\$	118,202	30,551
	EUR	6,382	93
		124,584	30,644
From 3 to 12 months	US\$	901,661	840,744
	EUR	68,729	208,089
	ITL	3,054	3,377
		973,444	1,052,210
From 1 to 3 years	US\$	631,919	541,668
	ITL	215,749	197,207
		847,668	738,875
From 3 to 5 years	US\$	3,831	217,715
From 5 to 15 years	US\$	18,459	15,467
Total		1,967,986	2,054,911

(1) The maturity date considers, when applicable, the date the investor may ask to anticipate redemption (put rights).

The average interest rate at December 31, 2001 was 7.92% per annum in Consolidated.

(c) *Commercial Paper Programs*

The commercial paper programs, in the amount of R\$796,259 (2000 - R\$813,137) in Consolidated are issued by Grand Cayman branch and are payable up to July 11, 2005 with interest rates between 1.87% and 3.50% per annum.

(d) The other issues totaled R\$54,959 (2000 - R\$59,698) in Consolidated with maturities up to July 11, 2005 and an average interest rate of 8.30% per annum.

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12. Borrowings and Onlending in Brazil – Governmental Agencies

Foreign borrowings consist principally of short-term credit lines for refinancing of foreign exchange transactions, import and exports.

Onlendings in Brazil – governmental agencies are payable up to 2018, with interest rates established by operational policies of BNDES (National Bank for Economic and Social Development).

13. Other Liabilities

	Consolidated			
	2001		2000	
	Current liabilities	Long-term liabilities	Current liabilities	Long-term liabilities
Collection of taxes and other contributions	24,745	-	25,546	-
Foreign exchange portfolio	541,579	-	1,163,954	3,422
Social and statutory	311,482	-	222,541	-
Taxes and social security	391,245	880,531	397,836	755,787
Negotiation and intermediation of securities	239,715	40,100	431,487	16,326
Accounts payable for purchase of assets	170,092	73,210	127,357	127,023
Technical provision for insurance, capitalization and retirement plans	2,342,314	-	2,100,532	-
Sundry	2,422,436	643,416	2,256,845	763,676
Total	6,443,608	1,637,257	6,726,098	1,666,234

The foreign exchange portfolio includes R\$288,685 (2000 – R\$751,331) of unsettled exchange sales and R\$248,022 (2000 – R\$411,433) of obligations for exchange purchased net of advances on exchange contracts.

“Other liabilities - accounts payable for purchase of assets”, refer mainly to the obligation assumed through the acquisition of Nacional’s customer portfolio, in the amount of R\$140,543 (2000 – R\$254,380).

“Other liabilities - sundry, includes, basically, provisions for personnel and administrative expenses in the amount of R\$188,979 (2000 - R\$185,378), provision for labor and civil litigations in the amount of R\$601,490 (2000 – R\$584,707) and payments to be made to accredited establishments of Cartão Unibanco, Credicard and Fininvest in the amount of R\$1,543,440 (2000 – R\$1,503,317).

Other liabilities in the parent company refer to dividends payable in the amount of R\$99,655 (2000 – R\$76,823

).

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14. Fiscal, Employee and Civil Litigations

Unibanco Holdings is defendants in tax litigations actions and Unibanco - Unibanco de Bancos Brasileiros S.A. and its subsidiaries are defendants in several legal actions, relating principally to income taxes, indirect taxes and labor claims. Based on the advice of our external

counsel, Unibanco Holdings and Unibanco recorded provisions to offset possible future losses, based on the success probability of the suits. Provisions recorded and the changes in the provision in 2000 and 2001 were as follows:

	Parent Company		Unibanco Consolidated	
	2001	2000	2001	2000
Balance, beginning of year	6,571	-	1,310,288	876,599
Provisions for acquired companies	-	-	-	372,185
Prior year adjustments	-	2,687	-	2,687
Provision charged	997	3,884	364,319	385,524
Payments	-	-	(164,476)	(159,194)
Reversal of provisions no longer required (Note 23e)	-	-	(30,779)	(167,513)
Balance, end of year	7,568	6,571	1,479,352	1,310,288

(a) Tax litigation

Unibanco Holdings and Unibanco and its subsidiaries are involved in several tax suits, including those relating to the constitutionality of certain taxes and the potential liability is fully provided.

(b) Employee litigation

Labor unions and former employees filed several lawsuits against Unibanco and its subsidiaries to seek compensation for labor rights. Unibanco cannot assure that it will win these lawsuits and, based of this, the contingency amount is recorded as provision, based on the average of payments made.

(c) Civil litigation

Unibanco and its subsidiaries filed other actions and claims on a variety of matters, including, previous economic plans. The civil litigations provisions are recorded in accordance with the probability of success in each type of claim.

(d) Bandeirantes related claims

Shareholders' claims. Certain former minority shareholders of Bandeirantes have initiated lawsuits against Bandeirantes, Caixa Geral de Depósitos, former controlling shareholders of Bandeirantes and/or against Unibanco. Certain former shareholders of Banorte (a bank acquired by Bandeirantes before Unibanco became the controlling shareholder of Bandeirantes) have also filed lawsuits against Bandeirantes and the Central Bank of Brazil, seeking to terminate the Central Bank intervention in Banorte before its acquisition by Bandeirantes. In accordance with the Agreement between Unibanco and Caixa Geral de Depósitos for the acquisition of a controlling interest in Bandeirantes, Caixa Geral de Depósitos assumed full responsibility for such lawsuits. Therefore it is not necessary to record provisions for this purpose.

Tax and general litigation. There are also several lawsuits in which Bandeirantes is a party in the normal course of business. Management believes that an unfavorable outcome in any or all of the lawsuits will not have a material adverse effect on the business of Bandeirantes, since the amounts are fully recorded, being included in the Unibanco Consolidated balances.

15. Stockholders' Equity (Parent Company)

(a) Capital

Subscribed and paid in capital comprises shares without par value, as follows:

			2001	2000
	Outstanding shares	Treasury stock	Total	Total
Common	37,138,435,873	-	37,138,435,873	37,138,435,873
Preferred class A	3,843,541,338	-	3,843,541,338	3,843,541,338
Preferred class B	42,426,351,836	922,147,249	43,348,499,085	43,115,835,701
Total	83,408,329,047	922,147,249	84,330,476,296	84,097,812,912

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Preferred shares class "A" have no voting rights, that have priority in the reimbursement of capital without premium in the case of the capital liquidation, up to the amount of capital stock represented by such preferred shares. Preferred shares class "A" have a dividend 10% per annum greater per share than ordinary shares and participate in equal conditions with common shares in capital increase from monetary restatements of reserves and income. Preferred shares class "B" have no voting rights that: (i) are entitled to receive a semi-annual minimum dividend of R\$0.15 per thousand shares; (ii) have priority in the reimbursement of capital in the case of the capital liquidation up to the amount of capital represented shares by such preferred shares and (iii) participate in equal conditions with common shareholders in capital increases from monetary restatement of revenues, reserves and income and any distribution of dividends after dividends equal to the minimum R\$0.15 per thousand shares.

Each Share Deposit Certificate (*Unit*) is represented by a preferred share issued by Unibanco and by a Class B preferred share issued by Holdings and is traded in the Brazilian market.

Each *Global Depositary Share* (GDS) is represented by 500 *Units*, and is traded in the international market.

In connection with the acquisition of Banco Bandeirantes S.A. (Note 8) the Special Shareholders Meeting held on December 28, 2000 approved the capital increase from R\$1,426,229 to R\$1,832,256 through the issuance of 10,471,843,587 book - entry shares without par value comprising 3,713,843,587 common shares and 6,758,000,000 class "B" preferred shares.

Through the payment of the capital increase, the Company received shares of Caixa Brasil Associação S.A. which had 7.462% interest in Unibanco, representing an indirect additional interest of Unibanco Holdings S.A. in Unibanco and the constitution of a Premium on subscription of stock reserve in an amount of R\$229,224.

On October 31, 2001 the Extraordinary Shareholders Meeting approved:

(i) the "Spin-off and Up-stream Merger Enrollment of Notice of Purposes", signed on October 15, 2001 between Holdings, Unibanco and Banco Bandeirantes de Investimentos S.A. (BBI) and related "Amendment to the Enrollment", whereby the spin-off of BBI was decided with incorporation of the equity of BBI part by Unibanco and part by Holdings, with the consequent extinguishments of BBI. The equity incorporated by Holdings, resulted in a capital increase of R\$31,194, represented by 637,272,727 preferred share class "B", without par value.

The assets merged from BBI to Unibanco Holdings were: marketable securities of R\$2,380; Other credits of R\$3,659, and investments of R\$25,155.

(ii) the elimination of the reciprocal participation between Unibanco Holdings and Unibanco, by means of it exchanges of part of the spin-off assets of BBI by the 404,609,343 class B preferences shares, in the amount of R\$19,806, issued in favour of Unibanco, and subsequent cancellation of the same ones.

(b) Dividends and interest on own capital

Unibanco Holdings distributes as dividend an equivalent amount of the dividends received from its subsidiaries, as indicated in its articles of incorporation.

On July 23, 2001, the Board of Directors approved the distribution of dividends, as an advance against the mandatory dividend for 2001, in the total amount of R\$88,081, representing R\$1.0426 per 1,000 common shares and R\$1.1469 per 1,000 preferred shares class "A", R\$1.0426 per 1,000 preferred share class "B". The payment of the dividends was made as from July 31, 2001.

For each *Unit* there were dividends of R\$2.1831 per 1,000 of *Units* attributed, R\$1.0426 from Unibanco Holdings and R\$1.1405 from Unibanco.

For each GDS there were dividends of R\$1.09155 attributed.

On January 22, 2002, the Board of Directors approved the distribution of dividends, as an advance against the mandatory dividend for 2001 in the amount of R\$99,655 representing R\$1.1893 per 1,000 common shares and R\$1.3082 per 1,000 preferred shares. class "A", R\$1.1893 per thousand preferred shares class "B". The payment of the dividends was made as from January 31, 2002.

For each *Unit* there were dividends of R\$2.4874 per 1,000 of *Units* attributed, R\$1.1893 from Unibanco Holdings and R\$1.2981 from Unibanco.

For each GDS there were dividends of R\$1.2437 attributed.

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Calculation of the dividends	2001	2000
Net income for the year	573,503	433,906
Less: Legal reserve (5%)	28,675	21,696
Prior years adjustments	2,498	9,780
Calculation basis	542,330	402,430
Interest on own capital paid as from July 31, 2000 (gross amount R\$81,855)	-	69,577
Dividends paid as from January 31, 2001	-	76,823
Dividends paid as from July 31, 2001	88,081	-
Dividends paid as from January 31, 2002	99,655	-
Total of dividends and interest on own capital	187,736	146,400
% Distributed	34,62	36,38

(c) Capital reserves

These reserves are substantially represented by share premium reserve.

(d) Treasury stocks and Buy-back program

(i) Through the "Share Exchange Agreement" signed on August 31, 2001, Unibanco assigned and transferred to Unibanco Holdings 24,397,249 Class B preferred shares issued by Holdings and acquired through a prior repurchase program in the form of *Units*, and Unibanco Holdings assigned and transferred to Unibanco the same quantity of preferred shares issued by Unibanco. The shares exchanged were recorded in Unibanco and in Unibanco Holdings as treasury stocks.

(ii) The Board of Directors of Unibanco and Unibanco Holdings in the meeting held on September 20, 2001 authorized, for a period of three months, the acquisition at market prices of up to 220,948,544 Unibanco's common shares, 4,597,425,824 Unibanco's preferred shares, and 4,236,225,772 Unibanco Holdings' Class B preferred shares, to be maintained in treasury for subsequent sale or cancellation, without capital reduction. The acquisition can be made through the acquisition of shares, *Units* or GDS.

On December 27, 2001, through the meeting of the Board of Directors, the buy-back program was renewed with the following limits: up to 257,364,326 Unibanco's common shares and up to 3,177,019,267 Unibanco's preferred shares, and up to 3,438,618,826 Unibanco Holdings' class "B" preferred shares.

Up to December 31, 2001, 153,200,000 Unibanco's preferred shares 46,500,000 *Units* and 1,702,500 GDS issued by both Unibanco and Unibanco Holdings were repurchased. Through of "Share Exchange Agreement", Unibanco assigned and transferred to Unibanco Holdings 897,750,000 Class B preferred shares issued by Unibanco Holdings, acquired in the form of *Units* and GDS and Unibanco Holdings assigned and transferred to Unibanco 897,750,000 preferred shares issued by Unibanco. Therefore, Unibanco Holdings recorded 897,750,000 preferred shares, at an average price of R\$43.15, as treasury stocks.

(iii) The market value of treasury stocks at December 31, 2001, based on *Units* price at December 28, 2001 in the São Paulo Stock Exchange was R\$46,559.

(e) Earnings per share

Earnings per 1,000 shares for the year ended December 31, 2001 are R\$6.83, considering the average outstanding shares in the period, or R\$6.88, considering the outstanding shares as of December 31, 2001.

Earnings per 1,000 shares, presented in the Income Statement for the year ended December 31, 2000 were calculated excluding shares issued on December 27 and 28, 2000.

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16. Income Tax and Social Contribution

(a) Deferred tax assets

	Parent Company		Consolidated	
	2001	2000	2001	2000
Provisions not currently deductible, mainly allowance for loan losses	1,522	1,495	1,311,486	588,573
Tax benefit on reorganization of insurance holdings	-	-	29,817	45,862
Tax loss and negative basis of social contribution Carry-forward	211	-	345,792	160,369
Deferred tax related to the change in criteria for calculating allowance for loan losses	-	-	-	11,952
Balance of acquired companies	10	-	4,418	564,999
Deferred tax liabilities relating to excess depreciation on leased assets and revaluation reserve	-	-	(141,550)	(69,333)
Net deferred tax assets	1,743	1,495	1,549,963	1,302,422
Total assets	1,743	1,495	1,556,307	1,371,755
Total liabilities	-	-	6,344	69,333

Deferred tax assets recorded in "Other credits - sundry" are computed at the tax rates in effect at each balance sheet date. Deferred tax assets not recognized in 2001 were R\$130,243 (2000 - R\$231,048) Consolidated.

The deferred tax assets were classified in current and long-term assets in accordance with the expected realization time, which is up to 5 years in the Consolidated

(b) Income tax and social contribution income (expenses)

	Parent Company		Consolidated	
	2001	2000	2001	2000
Income before income tax and social contribution, net of profit sharing	573,265	434,009	1,079,343	1,033,340
Income tax and social contribution expenses at a rate of 25% and 9%, respectively	(194,910)	(147,563)	(366,977)	(351,336)
Adjustments to derive effective tax rate:				
.Equity in the results of subsidiary and associated companies	195,069	148,866	2,576	1,257
.Exchange gain on foreign branches and subsidiary companies	-	-	95,849	50,930
.Exempt foreign subsidiaries source income	-	-	90,420	41,858
.Interest on own capital paid	-	27,831	6,411	62,801
.Interest on own capital received	-	(30,516)	-	-
.Deferred tax assets from prior years recognized in this year (not recognized)	79	672	135,752	(106,002)
.Effect of change in social contribution rate from 12% to 9%	-	-	-	(636)
.Effect of change in rates on deferred social contribution	-	-	-	(3,673)
.Permanent differences (net)	-	607	24,543	80,271
Income tax and social contribution for the year	238	(103)	(11,426)	(224,530)

17. Commitments and Guarantees

	Consolidated	
	2001	2000
Co-obligation and risks for guarantees provided	4,156,772	3,729,212
Assets under management (mainly mutual investment funds)	20,397,669	20,466,831
Lease commitments	42,279	45,660

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18. Related Party Transactions

	2001	2000
Assets		
Cash and due from banks	8	1
Marketable securities	9,113	6,589
Income receivable	99,659	77,038
Other credits	-	-
Liabilities		
Social and statutory	99,655	76,823
Other liabilities	-	-
Revenues		
Other operating income	1,226	401
Expenses		
Other administrative expenses	21	-

19. Financial Instruments

Unibanco enters into transactions in a variety of financial instruments recorded in its own financial statements or off-balance sheet in memorandum accounts, in order to meet its own and its customers' needs to reduce exposure to market, currency and interest rate risks.

The risks involved in these operations are managed through operational policies, determination of limits by Unibanco Financial Committee and by closely monitoring positions.

(a) Financial instruments recorded in the financial statements compared to market values at December 31, 2001 are as follows:

	Unibanco Consolidated	
	Book value	Market value
Assets		
Interbank investments	4,697,758	4,700,856
Marketable securities	15,354,838	15,517,787
Lending operations	21,500,427	21,433,033
Derivatives, net	259,914	253,098
Liabilities		
Deposits	18,922,690	18,926,699
Resources from securities issued	3,297,074	3,326,898
Treasury stocks	39,757	46,559

The market value of marketable securities was based on the average rate in effect on the last business day of the period, as informed by Brazilian Central Bank, Stock Exchanges, trade associations and external entities.

The market value of interbank deposits, lending operations, and deposits (except for demand and saving deposits), was based on the average rate practiced by Unibanco on the last business day of the year, for similar operations.

The market value of resources from securities issued abroad was based on the average quoted prices in effect on the correspondent markets on the last business day of the year, for similar operations.

The market value of treasury stocks was based on *Units* price at December 31, 2001 in the São Paulo Stock Exchange.

The market value of derivatives was based, principally, on the average rate in effect on the market on the last business day of the year for operations with similar maturities and indices, as informed by the Futures and Commodities Exchange - BM&F and trade associations.

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(b) The current notional values of off-balance sheet financial instruments at December 31 are as follows:

	2001		Unibanco Consolidated 2000	
	Current notional value	Net exposure	Current notional value	Net exposure
Futures contracts				
Purchase commitments				
Currencies	1,136,419	-	264,465	264,465
Interest rates	13,736	-	877,904	-
Exchange coupon	2,186,338	-	400,712	-
Sale commitments				
Currencies	2,084,051	947,632	-	-
Interest rates	3,494,634	3,480,898	2,597,471	1,719,567
Exchange coupon	2,720,247	533,909	1,425,440	1,024,728
Term contracts				
Assets position				
Interest rates	1,814,883	-	1,976,982	-
Liabilities position				
Interest rates	1,845,397	30,514	1,988,553	11,571
Swap contracts				
Assets position				
Currencies	773,282	-	1,199,572	-
Interbank interest rate	6,561,377	4,430,885	21,357,618	3,487,620
Fixed interest rate	1,406,441	-	16,963,052	-
Other	1,946,830	1,008,791	1,408,287	271,603
Liabilities position				
Currencies	3,968,925	3,195,643	2,989,455	1,789,883
Interbank interest rate	2,130,492	-	17,869,998	-
Fixed interest rate	3,360,046	1,953,605	19,011,165	2,048,113
Other	938,039	-	1,136,684	-
Option contracts				
Purchase commitments				
Currencies	-	-	19,300	19,300
Shares	1,375	1,375	1,174	-
Sale commitments				
Shares	-	-	104,270	103,096

The operations above do not represent Unibanco's total exposure to market, currency and interest rate risks since they only consider the values of off-balance sheet financial instruments.

The amounts of term contracts payable are R\$30,514 (2000 - R\$11,571) in Consolidated and are recorded in "Other liabilities - Negotiation and intermediation of securities".

The amounts of receivables under the swap contracts are R\$444,743 (2000 - R\$275,715) in Consolidated and the amounts of payables are R\$154,315 (2000 - R\$354,488) in Consolidated and are recorded in "Other receivables" and "Other liabilities", respectively, in "Negotiation and intermediation of securities."

The premiums paid to acquire option contracts totaled in 2000 - R\$1,041 in Consolidated and are recorded in "Marketable securities - Option premiums".

The premiums received from written swap option contracts totaled in 2001 - R\$40 in Consolidated, and are recorded in "Other liabilities - Negotiation and intermediation of securities".

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(c) Financial instruments recorded in off-balance sheet memorandum accounts have maturity terms as follows:

	Unibanco Consolidated	
	2001	2000
Futures contracts		
Up to 90 days	5,945,831	3,089,923
Between 91 days and 180 days	1,705,688	1,065,500
Between 181 days and 360 days	3,553,988	1,071,140
More than 1 year	414,429	339,429
Term contracts		
Up to 90 days	250,424	-
Between 91 days and 180 days	360,700	-
Between 181 days and 360 days	202,634	1,782,092
More than 1 year	905,476	191,278
Swap contracts		
Up to 90 days	3,207,599	15,546,483
Between 91 days and 180 days	2,566,151	21,765,998
Between 181 days and 360 days	3,006,184	3,457,947
More than 1 year	3,071,051	944,305
Option contracts		
Up to 90 days	-	19,300
Between 181 days and 360 days	-	104,270
More than 1 year	1,375	1,174

Interest rate and currency term and futures contracts represent future commitments to purchase or sell financial instruments at specific terms and at specified dates. The notional amounts represent the face value of the corresponding instrument at the date of the operations' liquidation. The credit risks associated with the future and term contracts are minimized due to daily cash settlements and margin account deposits. Future and term contracts are subject to the risk of movements in interest rates or the value of the underlying instruments.

Swap contracts represent future commitments to exchange currencies or indices for a contractual period and terms. The notional amount represents the basis on which the cash flows are determined. The risks associated with swaps relate to the potential inability or unwillingness of the counterparts to the contractual conditions and the risk associated with changes in market conditions due to movements in interest rates and the exchange rate of currencies.

Options are contracts which: (i) transfer, modify, or reduce interest rate risk, or (ii) allow the Bank to purchase or sell financial instruments in exchange for the payment or receipt of a premium at inception of the contract. As a purchaser of options, Unibanco pays a premium and, as a writer of options, receives a premium in exchange for bearing the risk of movements in future interest rates on market prices for the underlying financial instruments. The credit and market risks are limited to the extent of premiums paid on purchased options and the risk associated with the movements in market conditions could influence written options.

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20. Statement of Cash Flow

	2001	
	Parent Company	Consolidated
Operating activities		
Net income	573,503	573,503
Provision for devaluation on marketable securities	-	22,880
Provision for loan losses	-	1,649,727
Technical provisions for insurance, capitalization and retirement plans	-	530,445
Deferred tax assets	(238)	(243,134)
Reversal of foreclosed assets provision	-	(23,863)
Loss on sale of foreclosed assets and fixed assets	-	48,072
Amortization of goodwill (negative goodwill) on subsidiaries acquired	-	75,751
Equity in results of subsidiary and associated companies	(573,732)	(7,575)
Gain on sale of investment	-	(8,551)
Provision for losses on investments	-	4,238
Depreciation and amortization	-	312,134
Minority interest	-	494,414
Changes in assets and liabilities		
Decrease in interbank investments	-	2,438,935
Increase in marketable securities	(146)	(2,467,219)
Increase in Central Bank compulsory deposits	-	(99,243)
Net change in interbank and interdepartmental accounts	-	(148,278)
Increase in lending operations	-	(6,028,986)
Decrease in leasing operations	-	152,173
Increase in leased assets (operating leasing)	-	(2,055)
Decrease in other credits and other assets	4,735	980,336
Decrease in other liabilities	(703)	(779,834)
Decrease in deferred income	-	(13,017)
Net cash provided by (used in) operating activities	3,419	(2,539,147)
Investing activities		
Purchase of/ investments capital increases in subsidiary and associated companies	(4,798)	-
Dividends and interest on own capital received	165,774	-
Proceeds from sale of foreclosed assets	-	89,584
Purchase of/ investments capital increases in subsidiary and associated companies	-	(14,667)
Goodwill on acquisition of subsidiary and associated companies	-	(100,522)
Purchase of other investments	-	(37,868)
Proceeds from sale / capital decreases of subsidiary and associated companies	-	37,096
Proceeds from sale of other investments	-	4,157
Purchase of fixed assets	-	(270,417)
Proceeds from sale of fixed assets	-	90,576
Deferred charges	-	(323,607)
Minority interest	-	(165,968)
Net cash provided by (used in) investing activities	160,976	(691,636)
Financing activities		
Increase in deposits	-	5,572,325
Decrease in securities sold under repurchase agreements	-	(2,128,961)
Decrease in resources from securities issued	-	(1,131,342)
Increase in borrowings and onlending in Brazil – Governmental agencies	517	1,588,270
Purchased of treasury stocks	-	(39,757)
Dividends paid	(164,904)	(164,904)
Net cash provided by (used in) financing activities	(164,387)	3,695,631
Net increase in cash and due from banks	8	464,848
Cash and due from banks at the beginning of the year	1	528,392
Cash and due from banks at the end of the year	9	993,240
Net increase in cash and due from banks	8	464,848

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21. Subsidiary Companies Information

(a) The balance sheets⁽¹⁾ at December 31, of the most important financial entities and their subsidiaries in Brazil are as follow:

	2001		2000	
	Bandeirantes and subsidiary companies	Dibens and subsidiary companies	Bandeirantes and subsidiary companies	Dibens and subsidiary companies
Assets				
Current and long-term assets	1,299,736	1,759,552	4,021,941	1,093,088
Cash and due from banks	146	3,231	122,353	2,203
Interbank investments	40,700	4,348	420,167	203
Marketable securities	364,124	493,600	498,366	205,228
Interbank and interdepartmental accounts	15,040	3,842	314,637	3,813
Lending and leasing operations	-	1,051,396	1,477,105	718,087
Other credits and other assets	879,726	203,135	1,189,313	163,554
Permanent assets	122,521	48,091	275,430	42,831
Total	1,422,257	1,807,643	4,297,371	1,135,919
Liabilities				
Current and long-term liabilities	973,189	1,665,249	4,032,016	1,009,661
Deposits	395,942	822,416	2,380,911	449,355
Securities sold under repurchase agreements	-	258,865	6,992	126,425
Resources from securities issued	236,459	321,586	261,526	271,067
Interbank and interdepartmental accounts	4	37,180	59,005	10,628
Borrowings and onlending in Brazil – Governmental agencies	3,127	125,317	599,933	90,686
Other liabilities	337,657	99,885	723,649	61,500
Deferred income	-	-	1,240	15
Minority interest	983	1	22,434	1
Stockholders' equity	448,085	142,393	241,681	126,242
Total	1,422,257	1,807,643	4,297,371	1,135,919

⁽¹⁾ Without elimination between intercompany balances from Unibanco Conglomerate.

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- (b) The combined balance sheet⁽¹⁾ at December 31, 2001 of the foreign branches and subsidiaries, is summarized below and includes principally the accounts of the foreign branches: Unibanco Grand Cayman and Nassau, Credibanco - Grand Cayman and Dibens - Grand Cayman; banks: Unibanco (Luxembourg) S.A., Interbanco S.A. (Paraguay), Unibanco Cayman Bank Ltd., Unicorp Bank & Trust (Grand Cayman), and Banco Bandeirantes Grand Cayman Inc.; brokers: Unibanco Securities Limited (England) and Unibanco Securities Inc. (USA) and the company Unipart Participações Internacionais Ltd.:

	2001	2000
Assets		
Current and long-term assets	9,939,425	7,977,114
Cash and due from banks	115,604	82,383
Interbank investments	1,365,244	563,698
Marketable securities	5,714,818	4,925,254
Interbank accounts	57,520	42,582
Lending and leasing operations	2,528,003	2,133,926
Other credits and other assets	158,236	229,271
Permanent assets	21,532	19,464
Total	9,960,957	7,996,578
Liabilities		
Current and long-term liabilities	7,607,474	6,268,833
Deposits	1,679,440	1,113,112
Securities sold under repurchase agreements	506,445	498,402
Resources from securities issued	2,486,893	2,587,429
Interbank accounts	6,747	3,809
Borrowings	2,834,047	1,996,913
Other liabilities	93,902	69,168
Deferred income	6,940	9,866
Minority interest	38,625	31,476
Stockholders' equity	2,307,918	1,686,403
Total	9,960,957	7,996,578

⁽¹⁾ Without elimination between intercompany balances from Unibanco Conglomerate.

- (c) The combined balance sheet⁽¹⁾ at December 31, 2001 of the insurance, private pension and retirement plans is summarized below (Unibanco AIG Seguros S.A., Unibanco AIG Saúde Seguradora S.A., Unibanco AIG Previdência S.A. and Unibanco Companhia de Capitalização):

	2001	2000
Assets		
Current and long-term assets	3,702,997	3,139,605
Cash and due from banks	9,395	9,069
Marketable securities	3,009,744	2,520,705
Other credits and other assets	683,858	609,831
Permanent assets	386,256	396,664
Total	4,089,253	3,536,269
Liabilities		
Current and long-term liabilities	2,825,334	2,473,683
Borrowings	-	983
Other liabilities	482,744	372,168
Technical provisions for insurance, capitalization and retirement plans	2,342,590	2,100,532
Minority interest	417	1,102
Stockholders' equity	1,263,502	1,061,484
Total	4,089,253	3,536,269

⁽¹⁾ Without elimination between intercompany balances from Unibanco Conglomerate.

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- (d) The combined balance sheet⁽¹⁾ at December 31, 2001 of the credit card companies, including the jointly controlled companies, is summarized below: Banco Credibanco S.A. (formerly Cartão Unibanco Ltda.) (98.883%), Bandeirantes Administradora de Cartões de Crédito e Assessoria S.A. (100%), Credicard S.A. Administradora de Cartões de Crédito (33.333%), Orbitall Serviços e Processamento de Informações Comerciais (33.333%) and Redecard S.A. (31.943%):

	2001	2000
Assets		
Current and long-term assets	2,596,853	2,163,721
Cash and due from banks	10,350	33,998
Interbank investments	8,181	-
Marketable securities	373,152	184,003
Interbank and interdepartmental accounts	13,265	-
Lending operations	1,616,336	1,421,497
Other credits and other assets	575,569	524,223
Permanent assets	286,739	163,343
Total	2,883,592	2,327,064
Liabilities		
Current and long-term liabilities	2,463,237	1,987,843
Deposits	419,818	-
Borrowings	149,960	228,408
Resources from securities issued	239,045	-
Interbank and interdepartmental accounts	247	-
Other liabilities	1,654,167	1,759,435
Deferred income	-	15,084
Stockholders' equity	420,355	324,137
Total	2,883,592	2,327,064

⁽¹⁾ Without elimination between intercompany balances from Unibanco Conglomerate.

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(e) The balance sheet⁽¹⁾ at December 31, 2001 of the companies which carry out consumer credit operation, is summarized below and includes principally the accounts of Banco Fininvest S.A. (100%), Banco Investcred S.A. (50%) and FMX S.A. Sociedade de Crédito, Financiamento e Investimento (50%):

	2001	2000
Assets		
Current and long-term assets	2,336,956	1,465,198
Cash and due from banks	4,032	7,573
Interbank investments	229,938	182,682
Marketable securities	202,445	36,408
Interbank accounts	7,668	-
Lending operations	1,644,587	1,098,390
Other credits and other assets	248,286	140,145
Permanent assets	134,378	62,640
Total	2,471,334	1,527,838
Liabilities		
Current and long-term liabilities	2,219,705	1,348,874
Deposits	1,543,083	957,513
Interbank accounts	135	-
Borrowings	152,459	28,865
Other liabilities	524,028	362,496
Deferred income	98	15,084
Minority interest	98	476
Stockholders' equity	251,433	163,404
Total	2,471,334	1,527,838

⁽¹⁾ Without elimination between intercompany balances from Unibanco Conglomerate.

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22. Employees Benefits

Resolution 371/2000, issued by the Brazilian Securities and Exchange Commission (CVM), approved a new regulation prepared jointly by the IBRACON - Brazilian Institute of Independent Auditors and the CVM, which must be followed by public companies in recording employee benefits. The adoption of the new regulation, did not produce impacts on Unibanco's and on Unibanco Consolidated financial position. The main benefits given by Unibanco to its employees are:

(a) Free Benefits Generation Program

Unibanco and part of its employees sponsor a "Free Benefits Generation Program" (PGBL), a system whereby the participant accumulates financial resources during their career, through contributions paid by the employee and the Company where he works. These contributions are invested in an Exclusive Financial Investment Fund (FIFE). The program is based on defined contribution.

The program is managed by Unibanco Previdência S.A. and Unibanco Asset Management – Banco de Investimento S.A. is responsible for the financial management of the FIFE funds.

The contributions made by employees vary according to their ages between 1% to 9% and the contributions made by Unibanco vary according to the return on equity in the prior year between 50% and 200% of the participant's contribution, directly related to the return on equity.

As a result of Banco Bandeirantes' acquisition, Unibanco and a portion of its employees also sponsor a defined contribution pension plan administered by Trevo – Instituto Bandeirantes de Seguridade Social, a private pension entity, for the primary purpose of supplementing the retirement benefits provided by the government retirement plans.

In 2001, the contribution was R\$2,521 (2000 – R\$2,679) in Consolidated.

(b) Stock option program

The Extraordinary Shareholders' Meeting held on October 31, 2001 approved the stock option program, denominated *Performance*. The objective of *Performance* is to foster the executives' long-term commitment to the highest performance standards, as well as attract, retain and motivate new talents. Pursuant to the *Performance* program, the executives of Unibanco can be granted stock or unit options that can be exercised between 2 to 5 years. The option rights are limited to 1% of the authorized capital per year and the amount granted is limited to 10% of the authorized capital, as a whole.

Up to December 2001, there was no stock option to be exercised.

**UNIBANCO HOLDINGS S.A. AND
UNIBANCO HOLDINGS S.A. AND SUBSIDIARY COMPANIES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts expressed in thousands of Brazilian reais unless otherwise indicated)

23. Other Information

(a) Assets leased to third parties from consolidated companies, in the amount of R\$1,634,630 (2000 - R\$2,052,517), net of depreciation, are committed for sale to the lessees, at their option, at the end of the respective contracts for R\$1,248,023 (2000 - R\$1,614,338), the residual value received in advance from these lessees amounts to R\$924,439 (2000 - R\$1,224,336).

(b) Unibanco and its subsidiaries insure their properties and equipment to the extent considered necessary to cover possible losses, taking into account the nature of the activity. At December 31, 2001, the insurance coverage on properties and other assets in use totaled R\$1,056,804 (2000 - R\$841,366) in Consolidated.

(c) "Non-operating income, net" in 2000 in Unibanco and Unibanco Consolidated included substantially R\$188,444 of gain obtained from the association which out sourced Unibanco's telecommunications network; R\$95,377 gain on sale of the total interest in Quatro/A Telemarketing & Centrais de Atendimento S.A.; R\$26,614 gain on exchange of investment in Zip.net S.A. with PT Multimedia - Serviços de Telecomunicações e Multimedia, SGPS, S.A. and R\$7,213 gain on the sale of 30% interest in Volkswagen Leasing S.A. - Arrendamento Mercantil.

(d) Assets leased from third parties are being amortized through 2004. Expenses incurred on leasing operations totaled R\$52,804 (2000 - R\$43,933) in Consolidated. If the leasing agreements were recorded as financing purchase, the leased assets at original cost, restated and depreciated would be R\$41,307 (2000 - R\$23,829) and the debt recorded as liabilities would be R\$42,379 (2000 - R\$49,016) in Consolidated.

(e) "Other operating income" totaled R\$401,431 (2000 - R\$399,092) in Consolidated and includes, mainly, foreign branches and subsidiary companies exchange rate variation, in the net amount of R\$203,954 (2000 - R\$141,209) in Consolidated, interest on judicial deposits in the amount of R\$42,879 (2000 - R\$22,935) in Consolidated and tax contingencies reversals in the amount of R\$30,779 (2000 - R\$167,513), in Consolidated based on the favorable opinion of legal counsel.

(f) "Other operating expenses" totaled R\$515,109 (2000 - R\$375,489) in Consolidated and includes, mainly, provisions for contingencies involving legal actions brought against the Bank, principally labor claims, in the amount of R\$180,620 (2000 - R\$178,955) in Consolidated and amortization of goodwill on acquired subsidiaries in the amount of R\$84,702 in Consolidated.

24. Change in Classification and Valuation of Marketable Securities and Derivative Financial Instruments

The Brazilian Central Bank established new rules to record and valuation of marketable securities and derivative financial instruments, effective June 30, 2002.

(i) Marketable securities

According to the Brazilian Central Bank Circular 3068 issued on November 8, 2001, the securities must be classified as follows: a) trading securities; b) securities available for sale; and c) securities held to maturity.

Securities classified as trading and available for sale must be carried at fair value and the unrealized gain or loss must be recognized as revenue or expense for the period, if related to trading securities or as a specific component of stockholders' equity, net of applicable taxes, if related to securities available for sale. Securities held to maturity must be recorded at acquisition cost, plus accrued interest, which will be recorded in revenue for the period.

(ii) Derivative financial instruments

According to the Brazilian Central Bank Circular 3,082 issued on January 30, 2002, the derivative financial instruments must be recorded at fair value and the unrealized gain or loss must be recognized as revenue or

expense for the period, although a specific practice must be observed for derivative instruments used for hedging.

The derivative financial instruments must be classified as: a) market risk hedge, and b) cash flow hedge. The derivative financial instruments designated as hedge, and the respective item subject to the hedge, must be adjusted at their fair value and the unrealized gain or loss must be recorded as revenue or expense for the period, if designated as market risk hedge, and in a specific component of stockholders' equity, net of applicable taxes, if designated as cash flow hedge.

The management is presently assessing the impact of the application of these new criteria on financial position of Unibanco.

The Brazilian Securities and Exchange Commission (CVM) has considered that the new accounting criteria to record and value marketable securities and derivative financial instruments established by the Brazilian Central Bank are harmonized with the best international accounting practices, being therefore acceptable, and determined that the companies which invest or control financial institutions must maintain the procedures mentioned in its consolidated financial statements, as well as in the accounting of the investment based on the equity method.